

CONSOLIDATION OF BERKELEY AND FERGUSON

- A FEASIBILITY STUDY -

Prepared at the Request
Of the City Councils
Of Berkeley and Ferguson

By
Governmental Research Institute
1016 Arcade Building
St. Louis, Missouri
December 1966

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Part 1: Major Findings and Conclusions	3
Findings with Respect to Financial Matters	3
Findings with Respect to Non-Financial Matters	6
Findings with Respect to Cooperation without Consolidation	7
Conclusions	9
Part 2: Description of Berkeley	10
Location, Area, and Population	10
Zoning and Land Use	10
Governmental Organization	12
Administrative Departments and Operating Expenditures	13
Sources of Operating Revenue	25
Library Services	31
Municipal Buildings	31
Police and Firemen's Retirement Fund	32
Bonded Indebtedness	32
Assessed Valuation	33
Cash Balances	33
Part 3: Description of Ferguson	35
Location, Area, and Population	35
Zoning and Land Use	36
Governmental Organization	37
Administrative Departments and Operating Expenditures	38
Sources of Operating Revenue	53
Library Services	60
Municipal Buildings	61
Policemen and Firemen Retirement Fund	61
Bonded Indebtedness	62
Assessed Valuation	62
Cash Balances, Surpluses, and Reserve Funds	63
Part 4: Description of Consolidated Berkeley-Ferguson ...	64
Location, Area, and Population	64
Zoning and Land Use	65
Planning and Development	67
Governmental Organization	68
Administrative Departments and Operating Expenditures	68
Sources of Operating Revenue	96

TABLE OF CONTENTS
(continued)

	<u>Page</u>
Library Services	103
Municipal Buildings and Location of Offices	103
Police and Firemen's Retirement Fund	103
Bonded Indebtedness	105
Assessed Valuation	106
Cash Balances, Surpluses, and Reserve Funds	107
Property Tax Rates	109
Financial Position	111
 Part 5: Cooperative Arrangements or Joint Operations in Lieu of Consolidation	 112

LIST OF TABLES

<u>Table</u>	<u>Page</u>
1 Berkeley Public Works Department Budget -- Fiscal 1966-67	21
2 Berkeley Summary of Operating Expenditures	26
3 Berkeley Sources of Operating Revenue	27
4 Berkeley 1966 Assessed Valuation of Taxable Property	33
5 Ferguson Public Works Department Budget -- Fiscal 1966-67	47
6 Ferguson Summary of Operating Expenditures	54
7 Ferguson Sources of Operating Revenue	55
8 Ferguson 1966 Assessed Valuation of Taxable Property	62
9 Comparison of Consolidated Berkeley-Ferguson with Selected St. Louis County Municipalities by Area	64
10 Comparison of Consolidated Berkeley-Ferguson with Selected St. Louis County Municipalities by Population	65
11 Administrative Unit Staff Positions -- Unconsolidated and Consolidated	69
12 Police Department Commissioned Positions by Rank -- Unconsolidated and Consolidated	73
12a Consolidated Police Department Commissioned Positions by Shift Assignment	74
13 Police Department Civilian Positions -- Unconsolidated and Consolidated	74
14 Summary of Financial Considerations in Police Depart- ment Consolidation	76
15 Summary of Financial Considerations in Fire Depart- ment Consolidation	80
16 Public Works Department Staff Positions -- Uncon- solidated and Consolidated	80
17 Summary of Financial Considerations in Public Works Department Consolidation	86

LIST OF TABLES
(continued)

<u>Table</u>	<u>Page</u>
18 Park Department Staff Positions -- Unconsolidated and Consolidated	89
19 Summary of Financial Considerations in Park De- partment Consolidation	91
20 Berkeley and Ferguson Estimated Operating Fund Expenditures -- Unconsolidated and Consolidated -- 1967-68	95
21 Berkeley and Ferguson Estimated Operating Fund Revenues -- Unconsolidated and Consolidated -- 1967-68	97
22 Berkeley and Ferguson Operating Fund Tax Rates -- Unconsolidated and Consolidated	99
23 Berkeley and Ferguson Debt Service Tax Rates -- Unconsolidated and Consolidated	106
24 Berkeley and Ferguson 1966 Assessed Valuation of Taxable Property -- Total and Per Capita	106
25 Berkeley and Ferguson Cash Balances, Surpluses, and Reserve Funds	108
26 Berkeley and Ferguson Municipal Tax Rates -- Unconsolidated and Consolidated	110

INTRODUCTION

This study was undertaken at the request of the mayors and city councils of the cities of Berkeley and Ferguson. The report is based on field surveys, data from the official records and reports of the two cities and St. Louis County, and interviews with municipal officials and employees. Information was also obtained from representatives of the Missouri Inspection Bureau and the actuaries for the fire and police retirement systems of the two cities.

The Governmental Research Institute wishes to thank all individuals who cooperated and assisted in developing the information required for this report, particularly James D. Arnold, City Manager of Ferguson, and Hugh E. Brandriff, Acting City Manager of Berkeley.

Data contained in the report are presented in the form secured from the sources, but with such adjustments as were required to assure comparability of data for the two cities. In general, revenue and expenditure estimates are based on revenues, costs, and levels of service as set forth in current budgets. However, when more recent information was available than that contained in current budgets, the more recent information was utilized.

For purposes of comparing the separate cities with Consolidated Berkeley-Ferguson, estimated expenditures, revenues, and tax rates were developed for the fiscal year beginning July 1, 1967. The estimates were based on the assumption that all expenditures made during the year would be financed out of revenues received during the same year. The estimates are not presented as absolutes. Changes in costs and policy decisions as to levels of services and methods of financing would affect estimated expenditures, revenues, and tax rates of the two cities.

However, such changes would also affect the estimates for the Consolidated City.

The report is divided into five parts: Part 1 summarizes the major findings and conclusions of the study; Parts 2 and 3 present pertinent information on the unconsolidated cities of Berkeley and Ferguson; Part 4 presents comparable information on Consolidated Berkeley-Ferguson; and Part 5 discusses possibilities of further cooperation between the two cities without consolidation.

PART 1

MAJOR FINDINGS AND CONCLUSIONS

Consolidation of Berkeley and Ferguson offers benefits to the residents of both cities. Some are direct financial advantages, while others are of a more intangible nature.

Findings with Respect to Financial Matters

Savings

Consolidated Berkeley-Ferguson could provide its citizens better services at less cost than can the two communities operating independently.

a. Immediate savings to the two communities through consolidation amount to \$89,789 annually.

b. Additional services and other financial benefits which residents of the Consolidated City would receive from the outset can be valued at \$93,756 per year.

c. Potential future savings through consolidation, in the form of fire protection improvements, are estimated at a minimum of \$82,000 annually.

Thus in examining the possible financial benefits of consolidation, potential savings and benefits of over a quarter of a million dollars annually must be considered. The immediate savings and benefits of consolidation, totaling \$183,544 a year, are approximately 9.4% of estimated 1967-68 operating expenditures of Berkeley and Ferguson.

Property Tax Rates

Property tax rates of Consolidated Berkeley-Ferguson would be lower than those currently levied by the two cities. For property owners in Berkeley, the Consolidated City's total tax rate would be 13.1¢ below the present:

level, and 25.0¢ below the rate Berkeley would be required to levy to finance estimated expenditures for 1967-68 from estimated revenues of the same year. For property owners in Ferguson, the Consolidated City's total tax rate would be 2.7¢ below the current rate, and 2.3¢ below the estimated 1967-68 rate.

It should be noted that these rates are based on assumptions discussed in the text and should not be considered absolutes. A number of things, such as policy decisions by either community or the Consolidated City to increase or decrease levels of service, or to finance some expenditures from cash balances rather than current revenues, could significantly affect the estimated rates. However, the savings resulting from consolidation would be available whether they are used to reduce tax rates or to improve municipal services.

Bonded Indebtedness

Bonded indebtedness incurred for local improvements would remain the obligation of the community which initially incurred the debt. However, in accordance with provisions of State law, the remaining debt of \$120,000 on Berkeley City Hall, as of June 30, 1967, would become an obligation of the Consolidated City, which would use this facility for general City purposes.

Assessed Valuation

The assessed valuation of Consolidated Berkeley-Ferguson would be over \$95 million. To this total, Berkeley would contribute approximately \$42.4 million or 44.6% and Ferguson about \$52.7 million or 55.4%*. The Consolidated City would have a per capita assessed valuation of \$2,023, as compared to Berkeley's \$2,120 and Ferguson's \$1,951.

* Does not include the assessed value of some Ferguson property on which annexation litigation is pending.

Predictions of future assessed valuations of the two communities and when they will achieve specific valuation levels would be quite speculative. Berkeley has considerably more industrially zoned vacant land than Ferguson, but it appears unlikely that all of it will be fully developed. On the other hand, Ferguson has some vacant industrial property and some worthwhile commercial development now under way. In addition, Ferguson's current assessed valuation is over \$10 million larger than Berkeley's. This lead amounts to almost one-fourth of Berkeley's current total assessed valuation. Furthermore, if the courts approve Ferguson's recent annexations, the Ferguson lead would be even larger.

Revenues

The Consolidated City would rely on the same revenue sources as Berkeley and Ferguson. However, it would require approximately \$90,000 less revenue than would the two separate cities. The new City would depend somewhat less on property taxes than would the present cities and, due to a lower tax rate, would receive an estimated \$117,036 less from property taxes in 1967-68 than would the two cities unconsolidated.

While tax revenues would be reduced, certain other revenues would increase. Motor vehicle license taxes in Berkeley would be raised to the level now levied by Ferguson--an estimated increase of \$3 to \$4 per automobile. Berkeley residents would be required to pay an additional \$2 per year for refuse collection service and \$1 more for a dog license.

Cash Balances, Surpluses, and Reserve Funds

Both Berkeley and Ferguson would have substantial estimated cash balances, surpluses, and reserve funds available at the time of consolidation.* Berkeley's total funds of this type are estimated at a minimum of

*Based on estimates for June 30, 1967, exclusive of police and firemen's retirement funds, deposit funds, and bond funds.

\$162,479 and Ferguson's at \$345,161. However, about \$32,000 of Berkeley's funds would be required to purchase refuse collection equipment, and an estimated \$2,500 of Ferguson's funds would be needed for alterations to the Ferguson City Hall.

There are optional ways of utilizing the cash balances, surpluses, and reserve funds which would be available at the time of consolidation. It should be possible to handle this matter on an equitable basis.

Financial Position

Consolidated Berkeley-Ferguson would be in a good financial position. It would be virtually debt free, its operating fund tax rate would be less than 75% of its legal limit, its sizable assessed valuation would permit it to handle substantial improvement projects in the future, and its budget and financial resources would be large enough to permit improved long-range financial planning.

Findings with Respect to Non-Financial Matters

Population and Area

Consolidation of Berkeley and Ferguson would create a City of the population size which many students of government consider ideal for the efficient performance of most municipal functions and services. It would cover an area of approximately 10.5 square miles, have a current population of about 47,000, and be one of the largest municipalities in St. Louis County.

General Characteristics

The Consolidated City would have considerable land, both industrial and residential, available for future development. Its population could be expected to increase to about 60,000. While the new City would remain basically residential in character, it would likely experience some

additional commercial development and would have a sizable industrial base.

Planning, Zoning, and Development

While the zoning and land subdivision ordinances of Berkeley and Ferguson vary, they have the same general intent, and differences should be reconcilable. Consolidation of the two cities would offer advantages to both in planning their growth, development, and renewal. Compared to either Berkeley or Ferguson, the Consolidated City would be better equipped to plan. It could more effectively develop and enforce a good plan for the entire area and, by providing coordinated planning, it could reduce costs and the undesirable aspects of future development.

Organization and Administration

The Consolidated City would be organized in the same general manner as each of the existing cities. It would have a home rule charter, the council-manager form of government, and an administrative structure similar to that of both Berkeley and Ferguson .

Improved Services

The new City would continue to provide all present services. It would extend municipal refuse collection service to the Berkeley area, and would provide the supervised recreation and rabies control programs now provided only in Ferguson. The police function would be strengthened in both communities. Fire protection also would be improved, particularly in the Ferguson area.

Findings with Respect to Cooperation without Consolidation

While consolidation offers the two communities more benefits, virtually any move in the direction of cooperation, joint operations, and centralization would be preferable to each city continuing its attempts to

meet its problems independently. The possibilities for cooperative or joint operations vary by functional area. The benefits attainable are closely related to the degree of centralization achieved.

General Administration

With the exception of joint purchasing, general administration offers limited possibilities for cooperative action as long as both cities maintain a city hall and the administration of each city is under the direction of a city manager.

Police Protection

The police function has numerous possibilities for cooperative arrangements--a single radio dispatching unit, common training programs, joint laboratory facilities, and a single pistol range--to name a few. Others could undoubtedly be worked out, but independence of operations would be given up as the degree of centralization increased.

Fire Protection

Berkeley and Ferguson now have a mutual aid fire protection agreement. Without establishing a joint fire department, there appears to be little advantage in further cooperative agreements between the two cities regarding fire protection. With a joint department, the two cities would obtain all the fire protection benefits that would accrue from their consolidation. State law makes specific provisions for joint fire departments.

Public Works Operations

There are a number of possibilities for cooperation in public works operations. Some of the obvious ones are sharing of specialized equipment, common personnel for code enforcement, joint refuse collection, and a single central repair facility. Additional cooperative arrangements and even a single street maintenance unit are feasible.

Other Matters

Park operations and recreation programs hold possibilities for further cooperation, as do the functions of planning and civil defense. Joint financing and occupation of future buildings is also feasible.

Conclusions

Consolidation of Berkeley and Ferguson offers benefits to the citizens of both communities and to the area as a whole. The benefits are not equal for both cities in every respect. In some matters, Berkeley has more to gain, while in others Ferguson would be the greater beneficiary. Some consolidation advantages would be enjoyed upon merger. Others would depend upon further actions of the two communities as they grow, and the need and desire of their citizens for additional services and improvements.

Consolidation offers savings, both immediate and future, to both Berkeley and Ferguson. It would permit them to improve their present services and functions, and to provide new ones as required at less cost than if they acted independently. The Consolidated City would benefit the citizens of both communities by being in a better position than either Berkeley or Ferguson to plan and control future growth, development, and renewal in the area.

By consolidating, the two communities could provide a government better able to supply efficiently and economically the services their citizens need and want. By virtue of size and population, consolidation would tend to strengthen the position of residents of Berkeley and Ferguson in the affairs of the community of municipalities in the St. Louis area. With consolidation, the two cities could take pride in the leadership they would be providing to help solve one of the most serious problems in the larger community--the multiplicity of municipal governments.

expand the airport, not all property zoned industrially can be expected to be fully developed as such.

The land use plan anticipated that only about 900 acres would be needed for industrial purposes. After a review of pertinent maps and plats, and discussion of the matter with the staff of the St. Louis County Business and Industrial Development Commission, it is estimated that Berkeley now has between 300 and 400 acres of industrially zoned land which is vacant, or for which development is not already planned or in progress, that can reasonably be expected to be developed as industrial property. About 200 acres of this land can be considered prime industrial property and can be expected to be developed sooner than the remaining acreage. Another factor concerning land which should be considered in judging Berkeley's industrial potential is that any sizable new parks for the City would probably be located on land now zoned for industrial use, because there is little land of any other type still undeveloped.

Governmental Organization

The Berkeley municipal government is organized under a Constitutional Home Rule Charter, which provides it with the council-manager form of government. The City Council is composed of seven members. Five councilmen are elected from single member wards, while the other two members, the Vice President and the Mayor, are elected at-large. All serve two-year terms.

The City Council appoints the City Manager, City Clerk, Municipal Court Judge, and members of most boards and commissions. The City Manager appoints all other officials and employees, but his appointment of the City Attorney must be approved by the Council. The City Manager may himself serve as the director of one or more departments.

The City of Berkeley has the following boards and commissions: Planning Commission, Civil Service Commission, Park Board, Industrial Committee, Board of Zoning Adjustment, and Board of Trustees of the Police and Firemen's Retirement Fund. Although a Board of Health and a Civil Defense Advisory Board are authorized by ordinance, no appointments have been made to these boards.

Administrative Departments and Operating Expenditures

The administrative branch of the Berkeley municipal government is organized as follows: Office of the City Manager, City Clerk, and Department of Finance (all of which are considered to be an Administrative Unit for purposes of this report); City Attorney; and departments of Police, Fire, Public Works, Health, and Civil Defense and Disaster Relief. In addition, the City has a Department of Parks, although it has not been established by Charter or ordinance. The Department of Health and the Department of Civil Defense do not have full-time employees.

The current budget of the City provides for 71 full-time personnel. The organization, functions, and personnel of the administrative departments, as well as the expenditures currently authorized for these departments and for other City purposes, are discussed in the following paragraphs.

Administrative Unit

The Administrative Unit consists of the Office of the City Manager, the Department of Finance, and the City Clerk. The City Manager, in addition to being the chief administrative official of the City, also serves as personnel officer and budget director.

The Finance Department is in the charge of the Director of Finance. Other personnel of the Department consist of an Assistant Director, two

clerk typists, and one part-time clerk, all of whom are under the direct supervision of the Director.

The Department performs most of the City's financial functions. It is responsible for purchasing, although some of this work is performed by heads of other departments. It collects merchants and manufacturers taxes, but the City contracts with St. Louis County for collection of real and tangible personal property taxes. The Department also issues licenses and permits and maintains (hand posts) the City's accounts.

In addition to regular financial matters, the Department operates the Traffic Violations Bureau; prepares the Municipal Court docket; supplies secretarial service to the City Manager and the Public Works Department; answers all incoming phone calls, except calls to the Police and Fire departments; and services the one public counter in the City Hall. The Director of Finance serves as clerk of the Municipal Court, for which service he receives additional compensation.

The City Clerk is appointed by the City Council and spends most of her time on Council matters. However, depending upon need and her own workload, she also does some typing and clerical work for the City Manager and for the various departments.

The current budget for the Administrative Unit is \$52,203*, of which \$40,518 is for personal services and \$11,685 for non-personal services. The major non-personal service items are \$3,300 for tax collection service and \$2,300 for auditing services.

* Adjusted for purposes of this report to include all tax collection charges and a pro rata share of Social Security Tax payments, and to exclude election expenses.

City Attorney and Municipal Court

The City Attorney is responsible for all City legal matters, including prosecution of Municipal Court cases. The City has one Municipal Court Judge. Clerical and bailiff services are provided by employees of the Finance and Police departments. However, these employees receive additional compensation for such services.

The current budget for the Department of Law and the Municipal Court is \$10,146*, of which \$8,228 is for personal services.

Police Department

The Police Department is under the command of the Chief of Police. Other personnel of the Department consist of an assistant chief, three sergeants, three corporals, 15 patrolmen, three civilian dispatcher positions, and one civilian clerk typist--a total of 27 positions, 23 of which are filled by commissioned personnel. In addition, the Department supervises three school crossing guards and has eight auxiliary officers who may be called to duty for special occasions by the Chief of Police.

The Department has divided the City into two districts for police patrol purposes. Each district is patrolled by one man in a patrol car during each of the eight-hour shifts. An additional car is assigned to patrol both districts and handle calls for service in either district when the regular patrol unit for the district is busy with another call for service. The three patrol units are supervised by one sergeant, who also handles calls when all other units are not available.

On the basis of the present 42-hour work week and with allowances for absences for such purposes as vacation and sick leave, approximately

* Adjusted for purposes of this report to include a pro rata share of Social Security Tax payments.

24 officers are required to staff and relieve the various positions. However, at present only 23 commissioned personnel are authorized for the Department. This in effect means that generally one patrol car cannot be operated on one shift.

The Department maintains its own base radio station and has its own radio frequency. It is connected with other police departments in the St. Louis area by teletype. In addition to dispatching its own vehicles, the Department also dispatches the City's Fire Department vehicles, but on a separate frequency, and provides telephone answering and fire alarm monitoring service for the Fire Department at all times. Dispatching is handled by civilian employees, but relief is provided by regular uniformed officers.

The Department does not have desk sergeants. On the afternoon and night shifts, this function is performed by the regular field supervising sergeant, or acting sergeant, who is also the ranking officer on duty at the time. Traffic work is handled by regular patrol officers. Criminal investigation and the functions of a juvenile officer are carried out by three patrolmen assigned as detectives. Clerical work is done primarily by the clerk typist, but dispatchers do some clerical work as their other duties permit.

The motorized equipment of the Department consists of three marked and two unmarked cars. Other major equipment includes the Department's base radio station, a teletype, two radar units, two miniature radios, and various pieces of laboratory and photographic equipment. The Department also has the usual types of office equipment and miscellaneous special police equipment.

The annual salaries of Berkeley Police Department employees, after one year of service, are as follows:

Chief	\$8,228
Assistant Chief ..	7,191
Sergeant	6,936
Corporal	6,662
Patrolman	6,540
Dispatcher	4,435
Clerk Typist	3,900

Longevity pay increases for all employees of the City consist of two per cent of the base salary after three years of service and an additional two per cent after each succeeding three years of service, to a maximum of 10%. All employees are allowed one-half day per month sick leave, which may be accumulated from year to year to a total of 180 days. Commissioned officers receive a clothing allowance of \$180 annually.

The Department's budget for the current year, including dispatching service, is \$215,495*. Of this total, \$184,855 is for personal services. Non-personal service items total \$30,640, including \$6,000 for repairs to equipment, \$4,950 for gasoline and oil, \$4,140 for uniforms and allowances, \$2,400 for telephone and teletype services, and \$7,500 for capital outlay, \$6,000 of which is for automobiles.

The Department occupies about 1,400 square feet of floor space in the City Hall, including two cells for the detention of prisoners. In addition, the Department has limited storage and laboratory facilities in the basement of the City Hall building and has an outside pistol range on a tract of City-owned property in the western portion of the City.

* Adjusted for purposes of this report to include a pro rata share of Social Security Tax payments.

Fire Department

The Fire Department is under the direction of the Fire Chief. Other personnel of the Department consist of one deputy chief, three captains, three lieutenants, and 13 fire fighters. The Department's basic work schedule calls for firemen to work approximately 70 hours per week. However, firemen work an average of 72.96 hours per week in order to provide for vacations and sick leave absences and, at the same time, maintain a force of eight men other than the Fire Chief on duty at all times.

The Department operates from two stations. The main station house is attached to the City Hall and the second station is located in the southwestern portion of the City on Natural Bridge Road. The Department's major equipment consists of:

- Two 750 gallon per minute pumpers (one at each station)

- One 500 gallon per minute pumper (housed at the main station)

- One 1,000 lb. dry chemical truck (also serves as an emergency rescue vehicle and is housed at the number two station)

- One emergency rescue vehicle (housed at the main station)

- One Fire Chief's station wagon (housed at the main station)

All of the Department's vehicles are radio equipped. Telephone answering, fire alarm monitoring, and radio dispatching services are provided by the City's Police Department, but are handled through special Fire Department telephone lines and the Fire Department's base station radio. The Fire Department's radios operate on the same frequency as Ferguson's Fire Department and the fire departments of a number of north-county municipalities and fire districts. Berkeley has mutual aid fire fighting agreements with a number of fire departments in its general area, including the City of Ferguson.

The Missouri Inspection Bureau has assigned Berkeley a Class Six fire rating.

Firefighters are paid at the same rates as police patrolmen, and they receive the same longevity pay increases and sick leave allowances. Fire Department lieutenants receive the same pay as police corporals and fire captains the same pay as police sergeants. Firefighters receive \$120 per year clothing allowance, while fire captains and lieutenants, as well as all police officers, receive \$180.

The Fire Department's budget is \$188,136*. Personal services account for \$150,881. The remaining \$37,255 is for non-personal services, the major items being \$12,000 for hydrant rental, \$11,000 for equipment repair, \$3,180 for uniforms and allowances, and \$6,050 for capital expenditure. Most of the equipment repair is for major work on one fire truck. Capital outlay consists of \$3,000 for equipment, \$2,300 for an emergency vehicle, and \$750 for furniture and fixtures.

Public Works Department

The Public Works Department has numerous responsibilities. Its major functions are engineering services for the City, street maintenance, and building inspections. It develops plans and specifications for construction of streets and storm sewers, reviews subdivision plats and building plans, maintains City buildings, enforces the housing code and zoning ordinance, operates a central garage and storage yard, and cares for the City's trees. The City's function of electrical inspection is performed under contract by St. Louis County, and plumbing inspection is handled by a Berkeley private plumbing firm under a contract with the City.

The Department of Public Works is headed by the City Engineer. It is organized into an engineering unit, building inspection unit, street main-

* Adjusted for purposes of this report to include fire hydrant rental charges and a pro rata share of Social Security Tax payments.

tenance division, and central garage. Personnel consist of the City Engineer, one civil engineer, two draftsmen, one building inspector, one street superintendent, one street foreman, four equipment operators, three maintenance workers, and one mechanic--a total of 15 employees.

The Department's administrative, engineering, and inspection offices are located in the City Hall. Street maintenance work is performed out of the City's central garage and storage yard.

The Department maintains and cleans approximately 48 miles of streets. About 19 miles of these streets are concrete or asphalt with concrete curb and gutter. The remaining 29 miles are asphalt or a lower quality surface and, in general, without curb and gutter.

Construction and improvement of streets and drainage lines, except those constructed by developers of new subdivisions, is also the responsibility of the Department. Some of this work is done by the Department's own personnel, but a portion of these improvements is made by private firms under contract with the City. The Public Works Department does, however, do some of the engineering, design, and drafting work for such projects. It is also responsible for the inspection and proper installation of such improvements, as well as inspection of streets and other public improvements in new subdivisions.

The central garage of the Department is staffed by one mechanic. The garage handles maintenance and most repairs, though not all major projects, on City-owned vehicles and equipment.

In addition to heading the Department of Public Works, the City Engineer is also in charge of the Department of Parks, and the Superintendent of Streets supervises the maintenance workers of the Park Department. A portion of the City Engineer's salary is charged to the Park Department.

The Department's current budget is shown in Table 1. This table does not include all the expenditures of the central garage operation, because some of the funds for this purpose are contained in the budgets of the various departments that utilize central garage services.

Table 1

Berkeley Public Works Department Budget*
Fiscal 1966-67

<u>Function</u>	<u>Personal Services</u>	<u>Non-Personal Services</u>	<u>Total</u>
Engineering	\$27,386	\$2,505	\$29,891
Inspections	7,287	2,050	9,337
Streets	50,956	143,195	194,151
Central Garage	5,713	3,685	9,398
Total	\$91,342	\$151,435	\$242,777

* Adjusted for purposes of this report to include street and signal lighting costs, expenditures for certain public improvements, and a pro rata share of Social Security Tax payments and to exclude tree maintenance expenditures.

The major items for non-personal services in the Street Division's budget consist of \$40,000 for construction materials which will be used by City employees to resurface streets; \$35,000 which will be used primarily to contract for drainage improvements; \$28,000 for street and signal lighting; \$15,000 for other street and drainage improvements; \$6,700 for gasoline, oil, and repairs to equipment; \$4,500 for materials to control snow and ice; \$4,000 for traffic signs and signals; and \$5,650 for new equipment.

The major equipment of the Department is listed below:

5 dump trucks	2 rollers
2 stake trucks	1 salt spreader
2 pickups	1 asphalt spreader box
1 jeep	2 mowers
1 motor grader	1 striper
1 crawler tractor	1 street broom
2 tractors	1 asphalt distributor tank
1 tractor loader	

Refuse Collection

Refuse and garbage collection in the City of Berkeley is provided by a private hauler operating under a franchise from the City. There are three pickups a week of containers placed at the street curb line by residents. The basic charge for the service is \$18 annually per dwelling, paid in quarterly installments. The hauler serves an estimated average of 5,185 residences, at a total cost to Berkeley citizens of \$93,330. The hauler pays the City \$5,000 annually for the only franchise granted to provide service in Berkeley. The present franchise, which has been in effect for approximately two and one-half years, expires in March 1967.

Park Department

As pointed out above, the Park Department is under the direction of the City Engineer. Personnel consist of three maintenance workers, one part-time laborer, and two part-time park guards. Some additional labor is supplied by the Division of Streets and paid out of park funds. Supervision of Park Department employees is provided by the Superintendent of Streets.

The Department is responsible for the maintenance of the City's 27.4 acres of parks. This acreage is divided among three larger parks and a number of smaller parks and playgrounds. One of the larger park sites, recently leased by the City, has not yet been developed. Development of some other parks is not yet complete.

A summer swimming instruction program and a juvenile dance program are provided for in the Park Department budget. However, the swimming program is primarily administered by the Fire Department and the dance program is operated by volunteer adults and juveniles. Both programs levy fees or admission charges. Swimming instruction is provided at a private pool, the owners of which are compensated by the City. The dance program is provided at City-owned tennis courts.

The Department has one sizable maintenance building in one of the parks. It is used primarily to store equipment. The major equipment of the Department consists of one pickup truck, one tractor with mower, one tractor drawn mower, several power driven hand mowers, and miscellaneous small equipment and hand tools.

The Department is financed primarily through a special tax, which is currently levied at a rate of 12¢ per \$100 assessed valuation. It is estimated that this tax will produce \$50,400 for the park fund this year, and that revenues from the swimming and dance programs will amount to \$7,400-- a total revenue of \$57,800.

Currently budgeted expenditures for the Park Department total \$53,056*. Of this amount, \$22,051 is for personal services, including the City's share of Social Security taxes, partial payment of the City Engineer's salary, and payment of Street Division laborers. Major items for non-personal services are \$5,000 for the juvenile dance program, \$3,000 for tree maintenance, \$2,100 for the swimming program, and \$2,000 for construction materials and upkeep of grounds. Capital outlay expenditures total \$15,160, of which \$11,360 is for improvements in the parks, \$2,800 for equipment, and \$1,000 for buildings.

* Adjusted for purposes of this report to include tree maintenance expenditures and to exclude tax collection costs.

Health Department

The City Health Department has no employees and no budget. Health services are provided by the St. Louis County Health Department under a dollar-per-year contract with the City. The City does operate its own mosquito and weed control programs, but funds for these programs are budgeted to the Division of Streets.

Other Functions and Operating Expenditures

In addition to the expenditures of the regular administrative departments, the City also has the following functions and operating expenditures:

City Council. The City Council has a total budget of \$8,635, including \$3,000 for consultant fees, \$3,000 for travel and expenses, \$1,400 for Councilmen's salaries at the rate of \$5 per Council meeting, and \$1,235 for membership dues.

Civil Defense. The City's budget for civil defense is \$4,125, of which \$2,000 is for a radio, \$1,000 for uniforms and allowances, \$500 for personal services, and the remainder for other expenses.

Municipal Buildings. The City has a special budget account for the maintenance of its City Hall building. The total currently budgeted for this purpose is \$10,790. Of this amount, \$5,340 is for janitorial services supplied by a private firm under contract with the City, \$2,100 for upkeep of grounds, \$1,700 for repairs to the building, \$1,500 for furniture and fixtures, and \$150 for all other items.

Boards and Commissions. The total amount currently budgeted for boards and commissions is \$3,250. However, this includes an anticipated expenditure of \$2,250 for the City's annual report, which was transferred to non-departmental expenditures, leaving a balance of \$1,000.

Non-Departmental Expenditures. The City has a non-departmental budget account from which it expends funds not readily allocable to the accounts of regular departments and agencies. The total amount budgeted for this account for the current year is \$25,605*. The major items in the account are various types of insurance, \$13,375; utilities, \$8,655; annual report costs, \$2,250; and election expenses, \$1,200.

Contingencies. To allow for unforeseen expenditures, the City has allocated \$30,000 to a general fund contingent account. However, it is anticipated that half of this account will be spent for street improvements. Consequently, \$15,000 from this account was transferred to the Street Department, leaving the account a balance of \$15,000.

Summary of Operating Expenditures

Operating expenditures of the City of Berkeley are summarized in Table 2.

Sources of Operating Revenue

The sources of revenue which provide funds for the City of Berkeley's 1966-67 operating budget, and for an estimated 1967-68 budget, are set forth in Table 3. Receipt figures shown are for the General and Park funds. They do not include the following special funds: Police and Firemen's Retirement, bonded debt, and public improvement.

The estimates of yields for 1966-67 are those submitted in the City's current budget. The estimates of revenues required for the 1967-68 budget are based on the assumption that all current expenditures will be financed from current revenues. For purposes of this study, adjustments have been

* Adjusted for purposes of this report to allocate certain items to appropriate departments and to classify certain other items as non-departmental expenditures.

Table 2

City of Berkeley
Summary of Operating Expenditures

<u>Unit or Function</u>	<u>Budgeted 1966-67*</u>	<u>Estimated 1967-68**</u>
Administrative Unit	\$ 52,203	\$ 52,203
City Attorney and Municipal Court ..	10,146	10,146
Police	215,495	215,495
Fire	188,136	179,836 ^a
Public Works	242,777	242,777
Parks	53,056	53,056
City Council	8,635	8,635
Civil Defense	4,125	2,125 ^b
Municipal Buildings	10,790	10,790
Boards and Commissions	1,000	1,000
Non-Departmental	25,605	25,605
Contingencies	<u>15,000</u>	<u>15,000</u>
Total	\$826,968	\$816,668
Adjustment for refuse col- lection paid for by indivi- dual citizens	<u>93,330</u>	<u>93,330</u>
Grand Total	\$920,298	\$909,998

* Figures have been adjusted to reconcile the budgetary practices of Berkeley and Ferguson and to allocate certain expenditures to units or functions which Berkeley charges to its non-departmental budget account.

**Based on current cost and service levels.

^a Decrease due to major repairs not required on Fire Department equipment and no need to replace an emergency vehicle in 1967-68.

^b Decrease due to reduction in capital outlay for equipment.

Table 3

City of Berkeley
Sources of Operating Revenue

<u>Source</u>	<u>Budgeted</u> <u>1966-67</u>	<u>Estimated</u> <u>1967-68</u>
Property Taxes		
Real and tangible personal.....	\$330,960	\$368,504
Intangible personal.....	700	700
Gasoline Tax.....	73,000	85,266
County Road and Bridge Tax Refund....	37,500	37,500
Motor Vehicle License Taxes.....	33,000	33,000
Business License Taxes.....	47,400	48,450
Other Licenses.....	11,060	11,060
Utility Gross Receipts Tax.....	179,000	185,000
Permits and Inspections.....	7,470	7,470
Fines and Forfeits.....	17,500	21,000
Interest Income.....	4,500	4,500
Service Charges and Concessions.....	7,400	7,400
Other Revenues.....	<u>7,163</u>	<u>7,163</u>
Total Revenues.....	\$756,653	\$817,013
 Refuse Collection Service Charges..	93,330	93,330
Cash Balance Reduction.....	<u>70,315</u>	--
Grand Total.....	\$920,298	\$910,343

made to include in the revenues the refuse collection service charges paid by individual citizens to a private hauler, and also the amount of its cash balance which Berkeley is using to finance its current budget.

Property Taxes

Property taxes (real, tangible personal, State assessed utilities, and intangible personal) account for approximately 36% of all Berkeley 1966-67 operating revenue. Present property tax rates per \$100 assessed valuation for operating funds are: General Fund 66.8¢ and Park Fund 12¢--a total of 78.8¢. In addition, the City levies six cents for the Police and Firemen's Fund and 14.2¢ for principal and interest on bonded indebtedness, bringing the total City property tax rate up to 99¢.

The estimated operating funds tax rates for 1967-68 total 87.7¢ per \$100 assessed valuation. The increase over the current 78.8¢ rate results primarily from financing 1967-68 expenditures from 1967-68 revenues, instead of continuing this year's practice of drawing on the cash balance carried over from previous years.

The intangible personal property tax collected by the State of Missouri is estimated to yield \$700 in revenue, all of which is allocated to operating funds.

Gasoline Tax

The City shares in the five cents per gallon State collected gasoline tax. The receipts from this source in 1965-66 were \$85,266, an increase of \$12,266 over the current budget estimate of \$73,000. The larger figure was used as the estimated amount for 1967-68.

County Road and Bridge Tax Refund

The City also shares in the St. Louis County Road and Bridge Tax at the rate of 50% of the first 18¢ of the total rate of such tax levied and collected by the County on property in the City of Berkeley.

Motor Vehicle License Tax

The City's passenger car license tax is \$4.50 per vehicle annually. The truck license is \$6. Trailers are licensed on the basis of tonnage. It is estimated that approximately 7,500 passenger vehicles are licensed each year and that most of the revenue from motor vehicle licenses comes from passenger car licensing. In 1965-66 receipts from this source were \$35,107.

Business License Taxes

The City levies two basic types of business license taxes: flat fees, which range from \$1 each for certain types of vending machines to \$200 annually for other types of businesses; and a gross receipts tax on merchants and manufacturers. The rate of the gross receipts tax varies for manufacturers, wholesale merchants, and retail merchants from 40¢ to \$1 per \$1,000 of receipts, with a minimum tax of \$30. However, the rate for merchants rises as receipts increase, while for manufacturers it decreases as receipts increase. Wholesale merchants pay only 80% of the rate paid by retail merchants. The receipts from these sources in 1965-66 were \$48,450, which was \$1,050 above the 1966-67 budget estimate. For 1967-68, it is estimated receipts will be at the 1965-66 level.

Other Licenses

The City also issues other licenses, such as liquor, dog, taxi, advertising sign, motel, and peddlers. Liquor licenses range from \$37.50 to \$300 annually, depending upon the type and method of sale, and provide approximately \$5,000 in annual revenue. Dog licenses are \$1 for male or spayed female dogs, and \$2 for female dogs. Dog licenses yield about \$1,400 per year.

Utility Gross Receipts Tax

Public utilities are subject to a 5% license tax on the gross receipts received from business done within the City of Berkeley. The receipts from

this source in 1965-66 were approximately \$185,000 which was \$6,000 above the 1966-67 budget estimate. For 1967-68, it is estimated that receipts will be at the 1965-66 level.

Permits and Inspections

The City issues various types of permits, such as building, plumbing, and excavation. With the exception of electrical and plumbing inspections, necessary inspections of work done under the permits are made by City employees. Building permit fees are based on the estimated cost of construction, as follows:

<u>Cost of Construction</u>	<u>Fee</u>
\$ 0 - \$ 50.....	\$2
50 - 500.....	3
500 - 1,000.....	4
Each additional \$1,000 or fraction to \$10,000...	2
Each additional \$1,000 or fraction.....	1

Building permit inspection fees are \$2 for each inspection. The estimated revenue from building permits and inspections is \$4,500.

The City does not charge a plumbing permit fee. However, it does charge an inspection fee of \$2 per inspection plus \$1 for each fixture installed. The City's plumbing inspector, a private plumbing contractor, receives half of the inspection fees. Only \$600 is expected from this source in the current year.

Electrical permits and inspections for the City are handled by St. Louis County under a contract with the City. The County's fee schedule is in effect. All fees are collected by the County, with one-third of the amount collected being remitted to Berkeley. The estimated revenue from this source is \$1,500.

Excavation permit fees for sewer or water excavations are \$7 each. The charge for inspection and supervision of excavation work is \$2 per hour of actual time spent in inspection and supervision. Revenues from this source are estimated at \$800 for the current year.

Fines and Forfeits

Municipal Court fines vary according to the offense. Basic court costs are \$4, but are not charged when the fine is paid at the Traffic Violations Bureau. The City expects to receive \$17,500 from this source in 1966-67. It is estimated that it will receive an additional \$3,500 from this source in 1967-68.

Interest Income

The City collects interest on its invested idle funds. A large proportion of these funds are usually invested in time deposits.

Service Charges and Concessions

The juvenile dance program sponsored by the Park Department is expected to yield \$6,500 and the swimming instruction program \$900.

Other Revenues

The major item in this category is a \$5,000 annual franchise fee paid by the firm which provides refuse collection service in Berkeley. Other items are rentals and charges for miscellaneous services provided by the City, such as weed cutting and police report and ordinance copy sales.

Library Services

Library services in Berkeley are provided by the St. Louis County Library District. The District does not, however, maintain a library in Berkeley. The current tax rate for the District is 12¢ per \$100 assessed valuation.

Municipal Buildings

The City of Berkeley's major municipally owned structures are:

- a. The City Hall, which houses all administrative operations of the City, including the Police Department, and a fire station annex.

- b. A second fire station in the southwest portion of the City.
- c. A public works garage.

The Police Department is now overcrowded and the fire station annex is at capacity. Additional space will be required in the future.

Police and Firemen's Retirement Fund

The City of Berkeley has a Police and Firemen's Retirement Fund administered by a Board of Trustees. The present tax rate for the Fund is six cents per \$100 assessed valuation. Members of the retirement system contribute to the Fund at the rate of six per cent of their regular salary less any Social Security taxes they pay by virtue of their employment by the City.

Bonded Indebtedness

As of June 30, 1966, the bonded indebtedness of Berkeley was \$325,000. Of this total, \$190,000 was for sewer purposes and \$135,000 for the construction of the present City Hall and Fire Station. Debt service requirements for the current year are approximately \$46,000 for the sewer bonds and \$19,000 for the City Hall-Fire Department bonds. In 1967-68, the requirements will increase by approximately \$8,900 and \$4,600, respectively. The current tax levy for debt service is 14.2¢ per \$100 assessed valuation. On the basis of the current assessed value, Berkeley would be required to levy a tax of 17.2¢ to meet its debt service requirements from current taxes in 1967-68*.

* Neither the current tax rate for debt service nor the estimated tax rate for 1967-68 will produce all the funds necessary for debt service. The remainder will be met through an annual payment to Berkeley by the Metropolitan Sewer District. This payment is the District's share of the debt service on certain Berkeley sewage facilities.

Assessed Valuation

The assessed valuation of the City of Berkeley, as of January 1, 1966, is shown in Table 4.

Table 4

<u>City of Berkeley</u> <u>1966 Assessed Valuation of Taxable Property</u>	
<u>Class of Property</u>	<u>Assessed Valuation</u>
Real Estate	\$34,618,590
Tangible Personal	6,101,220
Public Utility	<u>1,689,450</u>
Total	\$42,409,260

The same assessed valuation was used in computing all 1967-68 estimated tax rates for purposes of this study. It was assumed that delinquent taxes on real estate and utility property would offset uncollected taxes of this type, and that only 93.6% of personal property taxes would be received.

Cash Balances

Over the years, the City of Berkeley has built up substantial cash balances and surpluses. However, not all of these funds can be spent for services, improvements, or equipment. Revenues raised for payment of principal and interest on bonded debt must be used for this purpose.

The City's annual audit report indicates that the June 30, 1966 cash balances of operating and special funds, exclusive of the Police and Firemen's Retirement Fund, Deposit Fund, and bond funds, were approximately \$232,794. On the basis of authorized expenditures and official estimates of receipts, this total would be reduced to \$162,479 at the close of the fiscal year on June 30, 1967. However, it is expected that expenditures will be less than appropriations, and that receipts will exceed the estimates made at the beginning of the year.

Analysis of the revenues and expenditures of operating funds indicates that, to avoid borrowing to finance operations during that part of the fiscal year before property taxes are received, the City must have a cash balance of approximately \$208,000 at the beginning of the fiscal year.

The audit report also indicates that moneys earmarked for the payment of principal and interest on bonded debt, as of June 30, 1966, amounted to \$3,454.

PART 3

DESCRIPTION OF FERGUSON

Location, Area, and Population

The City of Ferguson is located in North St. Louis County. It adjoins the cities of Berkeley and Kinloch on the west, and is bounded by Calverton Park and Interstate 270 on the north. Its eastern and southern limits are very irregular. It extends as far east as Old Halls Ferry Road at one point, but its major municipal neighbors are Dellwood to the east, and Cool Valley to the south.

All but two small sections of Ferguson are within the Ferguson-Florissant R-2 School District. The remaining two sections lie within the Riverview Gardens District and the Hazelwood R-1 District. The entire City lies within the Metropolitan St. Louis Sewer District.

Ferguson was incorporated as a city of the fourth class in 1894, with an area of about one square mile. Since then, it has expanded to approximately 5.8 square miles, including the areas covered by two relatively recent annexation actions.

From the time of its incorporation with a population of about 1,000 persons, Ferguson has grown to a city of approximately 27,000 in 1966. On the basis of existing boundaries and zoning, it is estimated that the City will reach a maximum population of approximately 35,500 people by 1985. The growth is expected to be primarily in three general areas: first, in the recently annexed northeast portion of the City; second, in the recently annexed southeast section of the City; and third, in a relatively small section in the southwestern corner of the City which is expected to be developed under multiple dwelling zoning. The overall population is expected to be about 9.51 persons per acre.

Zoning and Land Use

Review of zoning maps, aerial photographs, land use surveys, and land use plans clearly indicates that Ferguson is, and can be expected to remain, a predominately residential community. The City's zoning ordinance provides for 13 types of zoning districts, of which eight are residential type districts, four commercial, and one industrial. In addition, a site of 10 acres or more may be developed for residential purposes under a "community unit plan" approved by the City, even though development may not conform with all zoning regulations.

Of the eight types of residential districts, four allow only single family residences, while three also permit construction of two family or multiple family units. In the eighth, which is the "R-5 Planned Residence District," single and multiple dwellings and usual accessory uses may be mixed and developed as a unit according to a plan approved by the City.

The minimum lot sizes of the single family dwelling districts are 20,000, 15,000, 10,000, and 7,500 square feet, and the frontage requirements are 100, 90, 75, and 60 feet, respectively. The majority of the City's undeveloped land lies in single family districts which have a minimum lot size of 15,000 square feet or over.

The multiple dwelling districts require lots of at least 7,500, 3,750, and 3,000 square feet per family for single family, two family, and over two family units, respectively. In general, Planned Residence Districts require a site of five acres or more, but in some areas a minimum of two acres is permitted.

The City's four types of commercial districts are designed to group business activity in four primary categories: first, local business, or stores and shops serving the immediately surrounding area; second, general commercial activity; third, business and professional offices; and fourth, modern retail shopping centers that are developed as units according to a

plan approved by the City.

In 1963, Ferguson had approximately 83 acres of land used for commercial purposes. Additional commercial development has already taken place, and more is underway, or is planned, but this development will not alter the basically residential character of the community. The planned commercial construction is primarily an improvement and expansion of the strip commercial development which makes up the City's "central business district" along Florissant Avenue. It is expected that this development will follow the City's recently prepared "Master Plan." Commercial construction in progress consists mainly of expansion of the strip commercial development along West Florissant Avenue, and expansion of the shopping center and its surroundings located in the northeastern corner of the City on New Halls Ferry Road.

Present industrial development in Ferguson consists primarily of two large manufacturing plants. Occupied industrial sites total somewhat over 100 acres. While the City has considerable undeveloped land, about 900 acres according to a 1963 land use study, only about 100 acres lying near the railroad in the southeastern portion of the City is undeveloped industrially zoned land. Examination of maps and plats and review of the matter with the staff of the St. Louis County Business and Industrial Development Commission reveal that even this acreage would not generally be considered prime industrial property. Street access to the site is unsatisfactory and part of it has quite rough terrain. However, plans do call for improving street access.

Governmental Organization

Ferguson operates under a Constitutional Home Rule Charter which provides it with a council-manager form of government. The City Council is

composed of six councilmen, two elected from each of three wards, and one elected at-large who is the Mayor. Councilmen serve two-year terms, with one councilman elected annually from each ward. The Mayor also serves a two-year term and is elected in even numbered years.

The City Council appoints the City Manager and the City Clerk, and appoints the Municipal Court Judge upon nomination by the Manager. In general, the Council appoints members of boards and commissions, but some are appointed by the Mayor with the approval of the Council. The Manager is authorized to appoint all other officials and employees, except as he may delegate this authority to heads of departments and offices. However, the City Attorney's appointment must be approved by the Council, and assistant city attorneys are appointed by the City Attorney with the approval of the Manager. Unless otherwise provided by the Council, the City Manager is the City's Director of Finance; and with the consent of the Council, the Manager may be the head of one or more other departments.

The City of Ferguson has the following boards and commissions: Planning Commission, Traffic Commission, Personnel Board, Park Board, Board of Zoning Adjustment, Building Board of Appeals, Architectural Board, Board of Trustees of the Policemen and Firemen Retirement Fund, and Library Board.

Administrative Departments and Operating Expenditures

The administrative branch of the City government of Ferguson is organized in the following general manner:

1. An Administrative Unit, which includes the City Manager, City Clerk, and the departments of Finance, Personnel, and Civil Defense.
2. Six other departments: Law, Police, Fire, Public Works, Parks and Recreation, and Health.

3. A semi-autonomous municipal library district, for which the City government performs certain administrative functions.

The current budget provides for 83 full-time employees. The organization, functions, and personnel of the administrative departments, as well as the current expenditures for them and for other City purposes, are discussed in the following paragraphs.

Administrative Unit

The Administrative Unit is under the direct control of the City Manager, who also serves as director of the departments of Finance, Personnel, and Civil Defense. Other personnel of the Unit consist of the administrative assistant to the City Manager, the City Clerk, the Assistant Director of Finance, one bookkeeper, one full-time typist, and three part-time clerk typists.

The administrative assistant handles a variety of functions. He is the Director of the Division of Sanitation of the Public Works Department, and as such is directly in charge of the City's refuse collection service. He is the Manager's chief budgetary assistant, and shares with the Manager the duties of purchasing agent. In addition, the assistant has numerous less significant tasks and carries out various special projects for the Manager.

The City Clerk, Assistant Director of Finance, and the bookkeeper report directly to the City Manager. The clerk typists are supervised by the Assistant Director of Finance. The City Clerk spends most of her time on City Council matters, but does some secretarial work for the Manager. The bookkeeper spends most of her time on the City's accounts, but does some typing as well. Accounts are posted by use of a bookkeeping machine.

Revenue collection and accounting is the primary function of the Assistant Director of Finance and her clerical assistants. This includes collection of real and personal property taxes and merchants and manufacturers taxes; issuance of most licenses and permits; semi-annual collection, but not billing, of refuse and garbage collection service charges; and accounting for money received by other departments from miscellaneous sources. The Assistant Director of Finance is also responsible for operation of a Traffic Violations Bureau, which collects fines levied by the Municipal Court.

Expenditures currently budgeted for the Administrative Unit amount to \$56,568*. Of this total, \$44,328 is for personal services and directly related items, such as group insurance and Social Security payments. The remaining \$12,240 for non-personal services includes \$2,400 for auditing services, \$2,000 for replacement of the City Manager's automobile, \$1,260 for postage, \$3,500 for printing and duplicating, and \$3,080 for all other items. A sizable portion of the postage and printing expenditures is utilized in the tax collection function of the Department of Finance.

The Administrative Unit is located in three offices on the first floor of the City Hall Building. In addition to the usual office equipment such as desks, typewriters, and filing cabinets, the Unit has a cash register, a spirit duplicator, and bookkeeping, copy, and mimeograph machines.

Department of Law and the Municipal Court

Personnel of the Department of Law consist of the City Attorney and the Assistant City Attorney, both of whom are employed on a part-time basis. The Department is responsible for all City legal matters, including prosecution of Municipal Court cases.

* Adjusted to exclude \$2,350 election expenses transferred to the City's non-departmental account.

The City has one Municipal Court Judge. Clerical services for the Court are provided by employees of the Finance and Police departments, who receive additional compensation for these services.

The current budget for the Department of Law and the Municipal Court is \$15,948, of which \$9,398 is for personal services, \$6,025 for professional services, and \$525 for all other items.

Police Department

The Police Department is under the command of the Chief of Police. Other personnel of the Department consist of an assistant chief, five sergeants, four corporals, 17 patrolmen, one civilian dispatcher, one civilian clerk-dispatcher, one civilian meterman, and one part-time custodian--a total of 32 employees, 28 of whom are commissioned personnel. In addition, the Department has eight school-crossing guards and as many as 15 auxiliary officers, who may be called to duty for special occasions by the Chief of Police.

The Department has divided the City into four districts for police patrol purposes. Each district is assigned a patrol car, with the intention that it be operated by one patrolman on each of the three eight-hour shifts. The motorized patrol officers on duty at any one time are supervised by a motorized sergeant, who also assists officers with calls for service when necessary.

On the basis of the present 40-hour work week and with allowances for such purposes as vacations and sick leave, approximately 31 commissioned officers are required to staff and relieve the various positions. However, the Department is presently authorized to employ only 28 commissioned personnel, which means that it is usually able to operate only three of its four patrol cars.

The Department maintains its own base radio station and has its own radio frequency. It is connected with other police departments in the St. Louis area by teletype. In addition to dispatching its own vehicles, the Department dispatches other City vehicles, except those of the Fire Department, but on a separate frequency. Dispatching is handled by two commissioned officers and one civilian.

Traffic work is done by regular patrol officers, and one of the Department's regular field supervising sergeants has been assigned the staff work for this function. Criminal investigation is handled by one patrolman assigned as a detective. One sergeant works full-time as a juvenile officer. Clerical work, including preparation of the Municipal Court docket, is done primarily by a clerk typist, who also assists the day shift dispatcher. However, dispatchers also do such clerical work as their other duties permit. The meterman was originally employed primarily to check parking violations, collect meter receipts, and repair meters. However, in recent years the number of meters has been drastically reduced, and the meterman functions now primarily as a special patrol officer.

The motorized equipment of the Department consists of four marked and four unmarked cars, one motorcycle, and one tri-car, all radio equipped. Other pieces of major equipment are the Department's base station radio, a teletype, two radar units, three miniature radios, and various pieces of laboratory and photographic equipment. In addition, the Department has the usual types of office equipment and miscellaneous special police equipment.

The annual salaries of Ferguson Police Department employees are indicated in the following tabulation, the amount shown for each position being the level reached after completion of four and one-half years of service:

Chief	\$8,784
Assistant Chief	8,040
Sergeant	6,948
Corporal	6,744
Patrolman	6,552
Dispatcher	5,508
Meterman	5,352
Clerk Dispatcher	4,896
Custodian	4,176

All employees of the City receive longevity pay increases of approximately 2% of the base salary after 10 years of service, 4% after 15 years, and 5% after 20 years. Commissioned officers are also paid for seven holidays each year and receive an annual clothing allowance of \$120. Sick leave for all employees is allowed at a rate of 12 days per year, and may be accumulated from year to year to a total of 120 working days.

The Department's budgeted expenditures for the year total \$270,335. Of this total, \$224,720 is for personal service items; \$32,955 is for non-personal services, including \$7,115 for repair of vehicles, \$6,500 for gasoline and oil, \$4,200 for training and education, \$3,880 for telephone and teletype service; and \$12,660 is for capital equipment, including almost \$11,000 for replacement of police cars and radios.

The Department occupies about 2,500 square feet of floor space, which has been converted to offices in the City's central garage building. This includes two cells for the detention of prisoners. In addition, the Department has some storage space and a pistol range in the basement of the same building.

Fire Department

The Fire Department is under the command of the Fire Chief. It is staffed by one fire chief, one assistant chief, three fire captains, and eight fire fighters--a total of 13 employees. Ferguson firemen, other than

the Fire Chief, have a work week of approximately 70 hours. This work week, with an allowance of two weeks vacation and six additional days off per man per year for other reasons, permits an average of 4.6 men on duty at all times, excluding the Fire Chief.

The Department operates from a single engine house attached to the City Hall. Its major equipment is as follows:

One 1,000 gallon per minute aerial platform pumper

Two 750 gallon per minute pumps (one is maintained in reserve and housed at the City's central garage)

One panel truck emergency rescue vehicle

The Department maintains its own base station radio. All vehicles are radio equipped. Telephone answering and dispatching is normally handled by one of the firemen on regular duty. However, in the case of a large fire, all men on duty may leave the station house and there may be no one immediately available to answer the telephone and monitor the fire alarms. To take care of such situation, the Fire Department telephone can be answered at the police station and a police officer can be sent to the fire station as soon as possible to monitor the alarms. In addition, an off duty fireman can be called in to man the station house, or if the occasion arises during City Hall working hours, some other City employee can be sent to the fire station.

The Department's radios operate on the same frequency as the Berkeley Fire Department, and the fire departments of a number of north-County municipalities and fire districts. Ferguson has mutual aid fire fighting agreements with a number of fire departments in its general area, including an agreement with the City of Berkeley.

A portion of Ferguson, presently the subject of an annexation proceeding in the courts, lies within the Moline Acres Fire Protection District. The City and the Moline District have negotiated, but have not consummated, an agreement whereby the District would relinquish this area, while Ferguson would contract with the District for fire protection of the area. This arrangement would relieve taxpayers in the area of double taxation, make it unnecessary for the City of Ferguson to construct, man, and operate an additional fire station, and at the same time preserve the fiscal capacity of the Moline District.

Another recently annexed portion of Ferguson lies within the Black Jack Fire Protection District. However, the City and the Black Jack District have not negotiated an agreement similar to that contemplated between the City and the Moline District.

The Missouri Inspection Bureau has assigned the City of Ferguson a Class Six fire rating.

Firefighters are paid at the same rate as police patrolmen, and they receive the same longevity and sick leave benefits. A fire captain receives the same pay as a police sergeant. While police officers receive a clothing allowance, all uniforms for firemen are supplied by the City.

The Fire Department's budget totals \$130,766, of which \$96,601 is for personal services and \$34,165 for non-personal services. The non-personal services include \$14,000 for hydrant rental, \$6,000 for the services of the Moline Acres Fire Protection District, \$5,000 for depreciation reserve, \$2,250 for new fire hose, and \$6,915 for all other items.

Public Works Department

The major functions of the Public Works Department are street maintenance; refuse collection; building, electrical, and plumbing code

inspection; and engineering services for the City. It prepares specifications for contracts, develops plans for construction of streets and storm sewers, reviews subdivision plats and building plans, issues building permits, and has general responsibility for maintenance of City-owned buildings. It also operates a central municipal garage and storage yard and is responsible for the enforcement of the zoning ordinance.

The Department is in the charge of the Director of Public Works. Other personnel, exclusive of those of the Division of Sanitation*, are: an Assistant Director of Public Works, whose primary function is building inspection; one electrical inspector and one plumbing inspector, both of whom are part-time employees and are compensated on the basis of the number of inspections they perform; one clerk typist; one part-time draftsman; one street superintendent; eight laborers; and four part-time mechanics, who also work for the City as full-time firemen or police officers.

The Department operates from two locations. Administrative functions, engineering, and inspectional services are housed in City Hall. Maintenance work and refuse collection work are performed out of the City's central garage and storage yard.

The Department is responsible for the maintenance and cleaning (including snow removal and ice control) of approximately 66 miles of streets. About 46 miles of these streets are concrete or asphalt with concrete curb and gutter. The remaining 20 miles are asphalt or a lower quality surface, without curb and gutter.

In 1965, the Department issued 254 building permits and 704 electrical permits, and performed 428 plumbing inspections. The central garage handles

* The Division of Sanitation is operated as a separate organization unit, and is discussed in the following section of this report.

most routine maintenance and normal repairs for City-owned automotive vehicles and equipment, but major repairs are made by outside firms.

Current budget expenditures for the Department, exclusive of the Division of Sanitation, are shown in Table 5.

Table 5

Ferguson Public Works Department Budget
Fiscal Year 1966-67

<u>Function</u>	<u>Personal Services</u>	<u>Non-Personal Services</u>	<u>Total</u>
Engineering	\$17,373	\$ 4,995	\$ 22,368
Inspections	9,973	1,110	11,083
Streets	60,239	152,585	212,824
Total	\$87,585	\$158,690	\$246,275

The table does not include the expenditures of the central garage operation, because these amounts are included in the budgets of the various units which utilize the central garage services. The expenditures of the garage are expected to be \$27,699, divided into \$9,034 for personal services and \$18,665 for non-personal services, including \$16,500 for vehicle parts and repairs.

The major budget items for non-personal services, including capital outlay, are summarized as follows:

Street and signal lighting	\$40,100
Construction materials	23,500
Streets, curb, and sidewalk repair and construction	19,500
Seal coating of streets	14,000
New equipment	20,900
Gas, oil, and equipment repair	10,415
Installation of traffic signals	10,000
Chemicals and aggregate	5,500
Professional engineering services	4,000
Traffic signs	3,000
Drainage repair	2,000
All other	5,775
Total	\$158,690

The major equipment of the Department is listed below:

3 pickup trucks	1 motor grader
5 dump trucks	1 roller
2 tractors	1 hoist
1 tractor loader	2 mowers
2 automobiles	1 line striper
1 jeep	1 compressor
3 spreaders	1 welder
4 snow plows	4 equipment trailers
1 street sweeper	

Division of Sanitation--Refuse Collection

The Division of Sanitation is a unit of the Department of Public Works and technically under the direct authority of the Public Works Director. However, to a large extent, the Division is operated and budgeted as a separate entity. In reality, the Division is headed by the administrative assistant to the City Manager. It is considered desirable to operate the Division in this manner in order that it may be closely supervised and the costs of operation, which are basically financed by service charges, more accurately determined. In addition to the administrative assistant, personnel of the Division consist of one clerk typist, one sanitation foreman, four truck drivers, and eight refuse collectors.

The Division provides service for approximately 7,000 dwellings and a limited number of commercial establishments. Basic service consists of two pickups of refuse per week from containers at the rear of the dwelling. The charge for the service is \$20 annually paid in two advance installments. A 25% penalty is charged on delinquent payments.

Billing is handled by the Division clerk, but all collections are made by the Department of Finance. The Division clerk maintains all necessary service and billing records, receives complaints and applications for service, acts as typist for the City Manager's administrative assistant, does

typing for other departments as required and time permits, and shares with the clerk of the Public Works Department the duty of answering all incoming telephone calls to City Hall.

The current budget for the Division is \$138,880. Of this total, \$92,835 is for personal service items, exclusive of the salary of the administrative assistant to the City Manager, who directs the Division; \$30,045 is for non-personal services; and \$16,000 is for capital outlay, including a new refuse truck for \$15,200. The major items for non-personal services are \$14,600 for gasoline, oil, and vehicle repairs; \$6,400 for dumping fees; \$4,730 for liability and workmen's compensation insurance; and \$1,800 for laundry. Of the total budget of \$138,880, it is officially estimated that \$135,000 will be raised through service charges and that the remaining \$3,880 will be financed from reserves.

The major equipment of the Division of Sanitation consists of seven refuse trucks, including one purchased from funds in the current budget, and one pickup truck. Four of the refuse trucks are used for regular service and three are maintained in reserve to be used when other trucks require maintenance or repairs.

The pickup truck is radio equipped and can be contacted from a base station in the City Hall. It is used by the Division foreman to supervise operations, answer complaints, and pick up refuse accidentally missed by the regular trucks.

It is anticipated that a fifth regular truck and crew will be required in the near future to meet the service needs of a growing number of customers.

Park Department

The Park Department is in the charge of the Director of Parks, who reports directly to the City Manager. Other personnel of the Department consist of one maintenance superintendent, one maintenance foreman, three full-time laborers, three part-time laborers, two part-time building attendants, and one part-time clerk stenographer. In addition, the Department has a number of seasonal employees to operate the City's swimming pool and summer recreation program.

The Department is responsible for maintenance of the City's 102 acres of parks and for care of the City's trees. There are three major parks of over 20 acres each and six minor parks and playgrounds. One of the major park sites, acquired in 1963, has not yet been developed, and development of some other sites is not complete. The City's swimming pool, located in January Wabash Park on Florissant Avenue, is normally available to Ferguson residents only. A swimming instruction program is provided on a first come, first served basis. This program is currently at capacity. The Department also has a supervised six-week summer recreation program, shows free movies during June and July at various parks and playgrounds and, in conjunction with a civic group, provides a juvenile dance program.

The Department's administrative offices are located in the January Wabash Park Building. This building also houses a maintenance workshop and provides limited facilities for community activities. Department equipment and maintenance work are operated out of a garage at January Wabash Park and from a park building in Forestwood Park, which is located in the southeastern portion of the City. In addition to its own equipment, the Department has available to it the equipment of the Division of Streets, and in emergency

situations can call on the Division of Streets for assistance. The Public Works Director is also available to the Department to assist it with major maintenance or construction operations.

The major equipment of the Department consists of one pickup truck, one jeep, two tractors (one purchased out of the current budget), two tractor drawn mowers, two power driven riding mowers, one tree sprayer, one equipment trailer, one 500 gallon per minute pumper (an obsolete fire truck transferred from the Fire Department), various power driven hand mowers, and miscellaneous small equipment and hand tools.

The Department is financed primarily through a special tax rate, currently set at 14¢ per \$100 of assessed valuation. It is estimated that taxes will produce \$85,850 in revenue for the current fiscal year. Revenue from pool receipts is estimated at \$16,250; from concessions, \$10,000; and from all other sources, \$2,800--a total of \$114,900.

Currently budgeted expenditures for the Park Department total \$114,893. Of this amount, \$35,863 is for swimming pool operations, recreation program, and concessions, including temporary help required to operate these programs. The remaining \$79,030 is for park administration and maintenance. Personal service items account for \$44,753, non-personal service \$28,267, and capital expenditures \$6,010.

Health Department

The City's Health Department has no full-time employees. Practically all health services are provided by the St. Louis County Health Department under a dollar-per-year contract with the City.

The City supplements the County Department's rabies control program by employing two part-time dog catchers. In addition, the City supplies its

own weed and mosquito control, but labor and some supply costs for these two programs are carried in the general fund accounts of the Division of Streets. One pickup truck is assigned to the Department for rabies control service.

The total current budget for the City's Health Department is \$6,186, of which over \$4,000 is for personal services. Funds for the Department are raised primarily through a special health tax of one cent per \$100 assessed valuation.

Other Functions and Operating Expenditures

In addition to the expenditures of the regular administrative departments, the City also has the following operating expenditures:

City Council. The City Council has a total budget of \$2,890*, including \$1,500 for dues and memberships; \$840 for salaries of councilmen, at the rate of \$5 per meeting; and \$550 for all other expenses.

Civil Defense. The City's total budget for civil defense is \$800.

Municipal Buildings. The City budget provides \$21,076 in two special accounts for the operation of the City Hall Building and for the operation of the combined public works garage and police station. Expenditures of \$16,076 are provided for in the City Hall account, including \$4,771 for personal services, and \$11,305 for non-personal services. Non-personal services consist of \$5,000 for building repairs, \$5,550 for utilities, and \$755 for all other items. The garage and police station account provides \$5,000 for expenditures, including \$4,200 for utilities, \$600 for building repairs, and \$200 for all other items.

Boards and Commissions. The Planning Commission, Board of Zoning Adjustment, and Traffic Commission have funds budgeted directly for their use.

* Adjusted to exclude annual report costs of \$3,000 transferred to non-departmental expenditures.

The combined budget for the Planning Commission and Board of Zoning Adjustment is \$2,580, of which \$2,440 is for professional planning services on a contractual basis (the City has no professional planning staff). The Traffic Commission's budget is \$250.

Non-Departmental Expenditures. The City maintains a "Non-Operating" budgetary account for expenditures not allocated to administrative departments or other accounts. The total amount currently budgeted for this account is \$17,756*. Of this total, \$11,306 is for various types of insurance, such as fire, liability, and workmen's compensation; \$3,000 for annual report expenses; \$2,350 for election expenses; and \$1,100 for office supplies used by all departments.

Contingencies. To allow for unforeseen expenditures, the City has allocated \$40,157 to a general fund contingent account.

Summary of Operating Expenditures

Table 6 summarizes the currently budgeted operating expenditures of the City of Ferguson by unit of government or by function, and presents estimated expenditures for the City for 1967-68.

Sources of Operating Revenue

The revenue sources which provide funds for the City of Ferguson's 1966-67 operating budget, and for an estimated 1967-68 budget, are set forth in Table 7. The receipt figures shown are for the General, Park, and Health funds. They do not include the following special purpose funds: Library, Policemen and Firemen Retirement, bonded debt, Revolving Public Improvement, and Local Improvement.

* Adjusted to include election expenses budgeted by the City as an administrative cost, and annual report costs budgeted by the City as a Council expense.

Table 7

City of Ferguson
Sources of Operating Revenue

<u>Source</u>	<u>Budgeted 1966-67</u>	<u>Estimated 1967-68</u>
Property Taxes		
Real estate and tangible personal	\$347,322	\$367,927
Intangible personal	6,258	6,258
Gasoline Tax	100,000	104,734
County Road & Bridge Tax Refund	47,000	47,000
Motor Vehicle License Taxes	70,000	70,000
Business License Taxes	37,500	43,550
Other Licenses	8,880	8,880
Utility Gross Receipts Tax	177,000	177,000
Permits and Inspections	16,000	16,000
Fines and Forfeits	20,500	20,500
Interest Income	7,371	7,371
Refuse Collection Service Charge	135,000	140,000
Other Service Charges and		
Concessions	26,250	26,250
Other Revenues	8,870	8,870
Total True Revenues	\$1,007,951	\$1,044,340
Surplus and Reserve Funds	57,409*	
Grand Total	\$1,065,360	\$1,044,340

* The City has appropriated \$59,880 from surplus and reserve funds, but only \$57,409 is required to balance the budget.

The estimates of receipts for 1966-67 are those submitted by the City Manager for the City's current budget, except that the intangible personal property tax has been separated from other property taxes. The 1967-68 estimates are based on the assumption that all current expenditures will be financed from current revenues. To facilitate comparison of the two years, surplus and reserve funds which the City is using to balance its current budget are shown as revenues for this year.

Property Taxes

Property taxes (real, tangible personal, State assessed public utility, and intangible personal) account for approximately 33.2% of all 1966-67 Ferguson operating revenue. Present property tax rates per \$100 of assessed valuation for operating funds are: General Fund 52¢, Park Fund 17¢, and Health Fund 1¢--a total of 70¢. In addition, the City levies ten cents for the Library Fund, six cents for the Policemen and Firemen's Retirement Fund, and three cents for principal and interest on bonded indebtedness, bringing the total City property tax rate up to 89¢.

The estimated operating funds tax rates for 1967-68 total 70.6¢ per \$100 assessed valuation. The increase over the current rate of 70¢ would make it possible to finance current expenditures from current revenues. The necessary increase would be greater if it were not for an increase in the assessed valuation of taxable property and in some revenues from other sources, and also an estimated reduction in certain expenditures.

The intangible personal property tax, which is collected by the State of Missouri, is expected to produce \$6,258 in revenue for the City's operating funds. Additional amounts of revenue from this tax are allocated to debt service and the Policemen and Firemen's Retirement Fund.

Gasoline Tax

The City shares in the five cents per gallon State collected gasoline tax. The receipts from this source in 1965-66 were \$104,787, which was \$4,787 above the 1966-67 budget estimate. For 1967-68, it is estimated the City will receive \$104,734 from this source.

County Road and Bridge Tax Refund

The City shares in the St. Louis County Road and Bridge Tax at the rate of 50% of the first 18¢ of such tax levied and collected by the County on property in the City of Ferguson.

Motor Vehicle License Tax

The City's passenger car license tax is based on horsepower, and ranges from \$2.50 to \$12.50 annually. For example, an automobile with 36-48 horsepower pays a license tax of \$7.50, and one with 48-60 horsepower pays a tax of \$8.50. Commercial vehicles are licensed on the basis of tonnage.

Business License Taxes

The City levies two basic types of business license taxes: flat fee licenses of as much as \$200 annually, and a gross receipts tax on merchants and manufacturers. The rate of the gross receipts tax ranges from 50¢ to \$1 per \$1,000 of such receipts from business done within the City of Ferguson, with a lower rate applied as the amount of receipts rises, but with a minimum tax of \$30 and a maximum of \$10,000. The receipts from these sources in 1965-66 were \$43,553 which was \$6,053 above the 1966-67 budget estimate. For 1967-68, it is estimated that receipts will be at the 1965-66 level.

Other Licenses

The City also issues other licenses, such as liquor, dog, plumbing, taxi, milk, and solid fuel. Liquor licenses, depending upon the type and method of sale, range from \$22.50 to \$450 a year and provide approximately

\$5,000 in annual revenue. Dog licenses are \$2 for male or spayed female dogs, and \$3 for female dogs. Dog licenses yield about \$3,000 a year to the Health Fund.

Utility Gross Receipts Tax

Public utilities are subject to a 5% license tax on the gross receipts received from business done within Ferguson.

Permits and Inspections

The City issues various types of permits, such as building, electrical, plumbing, and excavation. Work done under these permits is inspected by City employees.

Building permit fees are based on the estimated cost of construction, as follows:

<u>Cost of Construction</u>	<u>Fee</u>
\$ 0 - \$ 20	None
20 - 100	\$1
100 - 400	2
400 - 700	3
700 - 1,000	4
Each additional \$1,000 or fraction to \$15,000	2
Each additional \$1,000 or fraction	1

Building permit inspection fees are \$2 for each inspection. The estimated revenue from permit and inspection fees is \$7,000

The basic plumbing permit fee is \$3 and the basic plumbing inspection fee is \$3. In addition, a charge of 50¢ is made for each fixture installed, and there is an inspection fee of 10¢ per lineal foot for on site inspection

when certain types of pipe are installed. The number of inspections varies with the amount and type of work to be inspected. The estimated revenue from this source is \$3,000.

The most common electrical permit fee is \$2 and the minimum electrical inspection fee is \$2. However, inspection fees are established in a detailed schedule and vary considerably with the amount and type of electrical wiring, fixtures, and equipment installed. The City of Ferguson, like Berkeley, follows the St. Louis County fee schedule for electrical inspections. The estimated revenue from this source is \$5,000.

Basic excavation permits are \$5 per yard of dirt removed from the tree lawn of the street right-of-way. However, if the street is cut, the fee can be as much as \$20 per yard. The estimated revenue from excavation permits is \$1,000

Refuse Collection Service Charge

The City levies a service charge for refuse collection. The basic charge is \$20 annually per dwelling. On the basis of 7,000 customers, it is estimated the City will receive \$140,000 from this source in 1967-68, an increase of \$5,000 over the current year's estimate.

Fines and Forfeits

Municipal court fines vary according to the offense. Basic court costs are \$5 and are collected on all cases which go to court and on all speeding and City licensing violations, but not on other violations paid at the Traffic Violations Bureau.

Interest Income

The City collects interest on its invested idle funds. A large part of these funds is usually invested in United States Treasury Bonds.

Service Charges and Concessions

The City Park Department operates concession stands in two of its larger parks. The estimated income from this source is \$10,000 and the estimated income from swimming pool receipts is \$16,250.

Other Revenues

Other revenues consist of \$3,600 from miscellaneous sources, a \$2,570 payment from the City Library for utility and custodial services, \$1,200 from coin lockers at the swimming pool, \$1,000 from rental of facilities, and \$500 from parking meters.

Library Services

The Library Board is responsible for the operation of the City's Library. The Library is located in an annex to the City Hall Building and has approximately 7,500 square feet of floor space including storage area. It contains approximately 37,000 volumes and has some room remaining for expansion of its book collection. However, if the Library is to provide a desirable level of service to the growing community of Ferguson, including the new types of library services, such as record lending, art print collections, and meeting rooms, additional space will be required by the Library in the foreseeable future. For example, the Library does not now have a separate reference room, which is generally a standard feature in a library for a community the size of Ferguson.

The Library is primarily supported by a special library tax on property, currently levied at 10¢ per \$100 of assessed valuation. The current Library budget, which is financed through a special Library Fund and is not included in the City budget, calls for expenditures of \$62,500, of which

\$39,900 is for personal service items, \$12,200 for books and periodicals, \$5,570 for utilities and building expenditures, and \$4,830 for all other items. It is anticipated that \$50,000 of the total budget will be financed from taxes, \$2,300 from State Aid, and \$10,200 from all other sources, including \$5,400 from the previous year's unappropriated surplus.

At the beginning of a fiscal year, the cash balance in the Library Fund is not sufficient to finance Library operations until that year's property tax revenues are received. The practice is to meet the deficiency by borrowing from another City fund, and repaying the loan when the Library's revenues for the current year become available.

Municipal Buildings

The City of Ferguson owns the following major structures:

- a. A city hall complex, which includes the City Hall Building and two attached buildings--a Library annex and fire station.
- b. A central garage building, part of which is occupied by the Ferguson Police Department.
- c. A large Park Department building in January Wabash Park.

The city hall complex has reached capacity, and replacement or expansion of it will be necessary in the future. The City's master plans calls for replacing the central garage and police building and the January Wabash Park Building.

Policemen and Firemen Retirement Fund

The City of Ferguson has a Policemen and Firemen Retirement Fund administered by a Board of Trustees. The present tax rate for the Fund is 6¢ per \$100 assessed valuation. The Fund is supported without contribution by members of the retirement system.

Bonded Indebtedness

As of June 30, 1966, the bonded indebtedness of Ferguson was \$300,000. However, the City already has cash balances in its debt funds sufficient to meet the interest and principal requirements of \$62,000 of these bonds as they mature. In addition, the current operating budget provides money from depreciation reserve and unappropriated surplus to retire and pay the interest on another \$50,000 outstanding bond issue. This leaves the City of Ferguson with a bonded debt of \$188,000 for street improvements and grade separations, which must be serviced and retired from current and future taxes. The current tax levy for debt service is 3¢ per \$100 assessed valuation. On the basis of the current assessed value, a levy of 2¢ will be adequate in 1967-68.

Assessed Valuation

The City's assessed valuation, as of January 1, 1966, is shown in Table 8.

Table 8

City of Ferguson
1966 Assessed Valuation of Taxable Property*

<u>Class of Property</u>	<u>Assessed Valuation</u>
Real Estate	\$42,147,500
Tangible Personal	8,606,880
Public Utility	<u>1,910,713</u>
Total	\$52,665,093

* Does not include some property on which annexation litigation is pending.

The same assessed valuation was used in computing all 1967-68 estimated tax rates for purposes of this study. It was assumed that delinquent taxes on real estate and utility property would offset uncollected taxes of this type, and that 93.6% of personal property taxes would be received.

Cash Balances, Surpluses,
and Reserve Funds

Over the years, the City of Ferguson has built up substantial cash balances, surpluses, and reserve funds. However, not all of these funds can be spent for services, improvements, or equipment. Revenues raised for payment of principal and interest on bonded debt must be used for this purpose.

The City's annual audit report indicates that the June 30, 1966 cash balances, unappropriated surpluses, and capital reserves of operating and special funds, exclusive of the Policemen and Firemen Retirement Fund, Deposit Fund, and bond funds, were approximately \$429,320. It is estimated that the comparable figure for the close of the current fiscal year, on June 30, 1967, will be \$345,161.

Analysis of the revenues and expenditures of operating funds indicates that, to avoid borrowing to finance operations during that part of the fiscal year before property taxes are received, the City must have a cash balance of approximately \$103,000 at the beginning of the fiscal year.

The audit report also indicates that moneys earmarked for the payment of principal and interest on bonded debt, as of June 30, 1966, amounted to \$121,587.

PART 4

DESCRIPTION OF CONSOLIDATED BERKELEY-FERGUSON

Location, Area, and Population

A Consolidated Berkeley-Ferguson, located in north St. Louis County, approximately three and one-half miles from the limits of the City of St. Louis, would comprise most of the area bounded by Lambert St. Louis Municipal Airport on the west, West Florissant Avenue on the east, Interstate 270 on the north, and Interstate 70 on the south. In a few instances, its boundaries would extend beyond these major geographical features, several smaller municipalities would lie wholly or partially within the area, and the Consolidated City would surround the City of Kinloch.

With the exception of some small areas, the Consolidated City would be within the Berkeley and the Ferguson-Florissant school districts. The entire City would lie within the Metropolitan St. Louis Sewer District.

Consolidated Berkeley-Ferguson would cover 6,718 acres or 10.5 square miles, making it one of the largest cities in area in St. Louis County. In Table 9, the areas of the Consolidated City and other selected St. Louis County municipalities are compared.

Table 9

Comparison of Consolidated Berkeley-Ferguson
With Selected St. Louis County Municipalities by Area

<u>Municipality</u>	<u>Area in Square Miles</u>
Bridgeton	17.0
CONSOLIDATED BERKELEY-FERGUSON	10.5
Kirkwood	8.9
Florissant	8.8
Ladue	8.4
Sunset Hills	6.0
University City	5.9
Webster Groves	5.6

The estimated population of Consolidated Berkeley-Ferguson would be 47,000 at the present time. If there were no changes in boundaries and no substantial changes in zoning, the Consolidated City would have an estimated maximum population of about 60,000 people and a density of 8.93 persons per acre. Many students of government consider a community of this population size to be ideal for the efficient and economical performance of most municipal functions and services.

As indicated by Table 10, Consolidated Berkeley-Ferguson would have one of the largest populations of St. Louis County municipalities.

Table 10

Comparison of Consolidated Berkeley-Ferguson
With Selected St. Louis County Municipalities by Population

<u>Municipality</u>	<u>Estimated 1965 Population*</u>
Florissant	54,000
University City	53,000
CONSOLIDATED BERKELEY-FERGUSON	46,000
Kirkwood	32,000
Webster Groves	30,000
Overland	26,000

* Source: The Municipal Yearbook, 1966

Zoning and Land Use

There are a number of differences in the zoning ordinances of Berkeley and Ferguson. Ferguson's basic ordinance, adopted in 1965, reflects more of the modern concepts in zoning administration than does the Berkeley ordinance, which went into effect in 1958. The Ferguson ordinance provides for 13 types of districts, as compared to Berkeley's nine. The Ferguson ordinance also permits greater discretion in certain types of development when carried out under City controlled conditions.

Both ordinances provide for seven single family dwelling districts, but only the two with a 7,500 square foot minimum lot size have generally common size and frontage requirements. In general, Berkeley's single family district lot size requirements tend to be smaller than those required in Ferguson. To some extent, this undoubtedly reflects existing conditions, and at least explains in part why Berkeley has a population density close to Ferguson's even though Berkeley has numerous large tracts of developed and vacant industrially zoned property.

The multiple dwelling zoning districts of the two communities are comparable with regard to lot size, but Ferguson requires two off-street parking spaces per dwelling unit, while Berkeley requires only one. Ferguson has four types of multiple districts, while Berkeley has only one but, to date, Ferguson has utilized only three of its four types of districts.

Berkeley's zoning ordinance provides for only three types of commercial districts, while the Ferguson ordinance establishes regulations for four. However, to date, Ferguson has utilized only two of these four types in dividing the City into zoning districts, and Berkeley has used only two of its three types of commercial districts.

Both Berkeley and Ferguson have adopted ordinances controlling subdivision of land. Ferguson's ordinance is the more recent, adopted in 1965, and reflects more modern methods of regulating development than does the Berkeley ordinance. In general, the ordinances are quite similar. Both require City approval of plats, and both require installation of public improvements by the subdivider. There are some differences in administrative procedures prescribed by the two ordinances, and requirements for public improvements are not identical. For example, Ferguson requires minor streets to have 32-foot pavements, while Berkeley requires only 26-foot pavements.

Despite differences, the general intent of the zoning and subdivision ordinances of the two cities is certainly similar. It should be possible to reconcile these differences.

Consolidated Berkeley-Ferguson would have a sizable amount of industrially zoned land--between 400 and 500 acres--which is vacant or for which development is not already planned. Most of this land lies in the area that is now in Berkeley. About 200 acres would be considered prime industrial property and the remaining 200 to 300 acres of lesser industrial value.

Planning and Development

Although Consolidated Berkeley-Ferguson would be largely developed, merger of the two communities would offer advantages to both in planning their growth, development, and renewal. Planning on a continuous basis has become essential to the maintenance and proper future development of a modern urban community.

Consolidated Berkeley-Ferguson, because of its greater resources, would be in a better position than either of the independent cities to give planning the attention it requires. In many instances, a small city is affected significantly by situations beyond its geographical limits. The larger size of Consolidated Berkeley-Ferguson would permit it to develop and put in effect a better plan for the entire area than could Berkeley and Ferguson planning separately. By providing a coordinated plan for the various sections of the community, the negative impact of developments in one area upon another, as well as costs, could be reduced.

In short, compared to either Berkeley or Ferguson, the Consolidated City would be better equipped to plan. It could more effectively develop and enforce a good plan for the entire area and, by providing coordinated

planning for all areas, it could reduce costs and the undesirable aspects of future development.

Governmental Organization

Since both communities already have Constitutional home rule charters which provide them with the council-manager form of government, it is assumed that the Consolidated City would also have such charter and form of government. The Consolidated City could adopt the charter of either Ferguson or Berkeley, or a new charter could be drafted and adopted.

It seems reasonable to assume that a new charter would provide for a City Council similar in size and manner of selection to that provided for by the present charters. It is also probable that the same boards and commissions as now exist would be provided for the new City.

Administrative Departments and Operating Expenditures

The administrative structure of the Consolidated City would be basically the same as that of the present cities, and would consist of the following units: an Administrative Unit, including the City Manager, the City Clerk, and Department of Finance; the departments of Law, Police, Fire, Public Works, Parks and Recreation, Personnel, Health, and Civil Defense; and a Division of Sanitation.

The organization, functions, and personnel of these administrative units are discussed below. Their estimated expenditures during the Consolidated City's first fiscal year, which for this purpose is assumed to be 1967-68, are compared with the estimated expenditures of Berkeley and Ferguson, unconsolidated, for the same year. Savings which could be achieved through consolidation are pointed out, and other values produced by consolidation, such as improved services, are discussed.

Administrative Unit

The Administrative Unit of Consolidated Berkeley-Ferguson would be under the direct control of the City Manager, and would be located in the present Ferguson City Hall Building. The Unit would take over all functions now performed by the comparable administrative units in Berkeley and Ferguson, except the collection of Ferguson real and personal property taxes. This tax collection function would be handled by the St. Louis County Department of Revenue, under contract. Berkeley already has a contract with the County for the collection of its real and personal property taxes.

Table 11 shows the number of positions which the two cities, unconsolidated, presently have in their administrative units and the proposed staffing for the Administrative Unit of the Consolidated City.

Table 11

Administrative Unit Staff Positions
Unconsolidated and Consolidated

<u>Position Title</u>	<u>Unconsolidated</u>	<u>Consolidated</u>
City Manager	2	1
Administrative Assistant	1	1
Director of Finance	1	-
Assistant Director of Finance	2	1
City Clerk	2	1
Bookkeeper	1	1
Clerk Stenographer	-	1
Clerk Typist	2	2
Clerk	1	1
Clerk Typist (part-time)	2	1
Clerk (part-time)	2	-
Total	16	10
Full-time Positions	12	9
Part-time Positions	4	1

There could be a variation in the proposed staffing, depending upon the approach of the City Manager to the function of financial administration.

Ferguson's present Charter requires the City Manager to be the Director of Finance unless the Council agrees to relieve him of this duty. Berkeley's Charter allows the City Manager to serve as the Director of Finance or to appoint a Director. Both charters' provisions are sound and permit desirable flexibility in this matter. If the Council of the Consolidated City wished, it could create the position of Director of Finance. However, in this case the position of Assistant Director of Finance should be abolished, and the salary of the Administrative Assistant to the City Manager decreased. The net budgetary effect would be minor.

The equipment of the Consolidated Administrative Unit would consist basically of the equipment of the present two units combined. Some equipment reduction might be possible, and some future replacement costs would be eliminated. However, since both units are relatively small, savings thus achieved are not believed to be significant when amortized over the life of equipment involved; and, in general, no monetary value has been placed on them. One substantial equipment advantage lies in the fact that Ferguson's bookkeeping machine could be used for posting financial records, thus replacing Berkeley's present hand posting method. It is probable that without consolidation Berkeley will adopt some form of mechanized bookkeeping. Ferguson's present bookkeeping machine was purchased for \$6,435 in 1965.

The proposed 1967-68 budget for the Consolidated Administrative Unit totals \$76,547, as compared to \$106,271 for the two present units. This is a reduction of \$29,724. Savings due to consolidation result from reductions in the following accounts: personal services, \$26,724; City Manager expenses, \$1,200; auditing, \$700; and all other accounts, \$1,100.

In addition to these calculable savings, consolidation offers other financial benefits. For example, the Consolidated City would extend to all its employees the hospitalization and life insurance program presently provided in Ferguson but not in Berkeley. If Berkeley were to provide these benefits to its Administrative Unit employees, as it might well do in the near future in order to remain competitive with the neighboring City of Ferguson, the cost to Berkeley would be approximately \$828 annually.

Another area of potential savings lies in the field of purchasing. At present, neither Berkeley nor Ferguson has true centralized purchasing under a purchasing agent. Because of increased volume, a consolidated community could better afford to employ a purchasing specialist than can either of the separate communities. Experience has shown that, in municipalities of sufficient size, utilization of such a specialist is usually advantageous.

Larger volume purchasing by the Consolidated City might also provide savings. However, analysis of the budgets of the two cities indicates that a large proportion of their expenditures is for salaries and other items such as utilities, services, and expenses which do not generally decrease in price through volume. Consequently, no great savings should be expected through higher volume purchasing resulting from consolidation. The two communities could, in some instances, achieve such savings through cooperative purchasing without consolidation. While no detailed analysis was made of prices paid by the two cities for various commodities, a sample of 10 items such as gasoline, salt, concrete, tires, and fire hose was checked and compared with prices paid by a city of approximately the same size as Consolidated Berkeley-Ferguson. However, no definite conclusions could be reached on the basis of this review. Consequently, the study does not attribute any savings to higher volume purchasing which would be possible through consolidation.

Department of Law and the Municipal Court

The Department of Law and the Municipal Court of Consolidated Berkeley-Ferguson would take over the functions now performed by the law departments and courts of the two cities. One position of City Attorney and one position of Municipal Court Judge would be eliminated. However, because of the volume of Municipal Court cases, an additional position of Assistant City Attorney and an increase in the judge's salary are proposed for the Consolidated City.

Clerical assistance to the Municipal Court would be provided at the same level as now supplied by the two cities, and at approximately the same rates of pay as are now received by the two cities' part-time court clerks. The present Berkeley position of bailiff would be eliminated, and the Consolidated Police Department would perform this function.

The proposed budget for the Consolidated Department of Law and the Municipal Court is \$16,906, as compared to \$20,069 estimated for these units unconsolidated for 1967-68. This is a reduction of \$3,163.

The Municipal Court would hold its sessions in the existing City Council chamber in the Berkeley City Hall.

Police Department

To maintain the same level of police protection as is now provided, the Consolidated Police Department would need five fewer officers than are presently authorized for the two separate police forces*. This level of service would be maintained with all officers on the 40-hour work week now in effect in Ferguson. The Berkeley Department now has a 42-hour work week.

* The same level of protection is considered to be the level provided by same numbers of patrol units, investigative officers, supervisory and staff positions, one chief of police, and one assistant chief.

At the present time, neither department regularly has a ranking officer on duty during the afternoonn or night shifts and, in general, command as well as supervision and desk sergeant duties on these shifts are all the responsibility of the field supervising sergeant or acting sergeant. The Ferguson Chief of Police is planning to request additional manpower to be used as shift commanders, and the Berkeley police force probably will do likewise in the foreseeable future. In addition, the Ferguson Department believes that it will soon be necessary to add a patrol unit in its rapidly growing area.

In order to meet these growing needs of the two communities, the proposed commissioned staff for the Consolidated Police Department, as shown in Table 12, has been reduced by only four rather than five officers. However, even with this reduction in total number of commissioned officers, the Consolidated Department would have one additional patrol unit, as compared to the two separate departments. In addition, it is suggested that two positions of lieutenant be established, in order to provide more adequate command and supervision.

Table 12

<u>Police Department Commissioned Positions</u>		
<u>By Rank</u>		
<u>Unconsolidated and Consolidated</u>		
<u>Position Title</u>	<u>Unconsolidated</u>	<u>Consolidated</u>
Chief of Police	2	1
Assistant Chief	2	1
Lieutenant	-	2
Sergeant	8	8
Corporal	7	7
Patrolman	32	28
Total	51	47

Table 12a

Consolidated Police Department
Commissioned Positions by Shift Assignment

<u>Day Shift</u>	<u>Afternoon Shift</u>	<u>Night Shift</u>
1 Chief of Police	1 Assistant Chief	1 Lieutenant
2 Sergeants	2 Sergeants	1 Sergeant
1 Desk Sergeant	1 Desk Sergeant	---
6 Patrol Officers	6 Patrol Officers	6 Patrol Officers
5 Relief Officers	5 Relief Officers	4 Relief Officers
<u>15 Total</u>	<u>15 Total</u>	<u>12 Total</u>

1 Lieutenant working various shifts as required.
1 Detective Sergeant working various shifts as directed.
3 Detectives working various shifts as directed.

Total Positions--47

The proposed consolidated force would have one civilian position less than the total number now authorized for the two departments, as shown in Table 13.

Table 13

Police Department Civilian Positions
Unconsolidated and Consolidated

<u>Position Title</u>	<u>Unconsolidated</u>	<u>Consolidated</u>
Dispatcher	4	4
Clerk Dispatcher	1	1
Clerk Stenographer	1	1
Meterman	1	-
Custodian (part-time)	<u>1</u>	<u>1</u>
Total	8	7

The Consolidated Police Department would be located in the existing Berkeley City Hall. One of the base station radios and one of the teletype systems of the two departments could be eliminated. Duplicate laboratory facilities and equipment could be eliminated, and the number of radar units could be reduced.

The automobiles of both departments would be retained. Six cars would be assigned to the patrol units, two to the field supervising sergeants, two to the investigative function, one to the command function, and two would be kept in reserve. Reserve cars would be used when other cars are being serviced or repaired, and could also be used in unusual circumstances.

The budget for the Consolidated Department would be \$461,013, a reduction of \$24,817 from the \$485,830 total estimated 1967-68 budgets for the two departments. Annual savings are as follows: personal services, \$17,657; telephone and teletype, \$2,400; annual capital expenditure, \$2,160; training, \$1,200; supplies, \$1,050; all other savings, \$950--a total of \$25,417. However, there is an offsetting increase of \$600 for increased uniform allowances, thus producing net savings of \$24,817.

This net savings figure does not, however, give a complete picture of the financial advantages of consolidating the two departments. To obtain such a picture, it is necessary also to take into consideration the following matters:

a. The proposed budget for the Consolidated Police Department provides for bringing the salaries of all commissioned officers up to the level of the Berkeley Department. If Ferguson were to bring its salaries up to this level, as it probably will be required to do in the near future, the cost would be about \$8,000 a year.

b. Ferguson's 40-hour work week is extended to the entire commissioned force of the Consolidated Department. For Berkeley to reduce its work week from 42 to 40 hours would cost a minimum of \$7,000 a year.

c. Without consolidation, each department can be expected to add two lieutenants to its force within the near future. The minimum estimated cost of adding such manpower is \$8,000 per man or \$32,000.

d. The value, in increased police protection, of the Consolidated Department's additional patrol unit is estimated at a minimum of \$10,000.

e. All officers of the Consolidated Department would receive the clothing allowance of \$180 a year which Berkeley's officers presently receive. Increase of Ferguson's clothing allowance to this level from the \$120 it now pays would cost \$1,680 a year.

f. Extension of the Ferguson hospitalization and life insurance program to all officers of the Consolidated Department represents a cost of about \$3,174 a year which Berkeley would have to pay if it provided such program for its police officers.

Table 14 summarizes the direct financial savings under consolidation, the probable cost increases which will be encountered without consolidation, and the value of improved police services through consolidation.

Table 14

Summary of Financial Considerations
In Police Department Consolidation

<u>Item</u>	<u>Amount</u>
1. Direct savings of consolidation.....	\$24,817
2. Probable cost increases without consolidation	
Increased salaries (Ferguson officers).....	8,000
Insurance program (Berkeley officers).....	3,174
Work week reduction (Berkeley).....	7,000
Added command officers (Berkeley and Ferguson)...	32,000
Increased clothing allowance (Ferguson officers).	<u>1,680</u>
Total	\$51,854
3. Value of increased service	
One additional patrol unit	\$10,000

Fire Department

Fire protection in Berkeley and Ferguson would be improved through consolidation. More equipment would be available to respond to fire alarms in both communities without resorting to mutual aid agreements, which are subject to cancellation. A single fire alarm telephone number would be used

for all of the consolidated area, and dispatching and monitoring of fire alarms for the Ferguson area would be strengthened. Additional fire protection improvements for the two communities could be made in the future at considerably less cost if the two communities were consolidated than if they remain separate.

Worthwhile as these improvements are, the Missouri Inspection Bureau has informed the Institute that fire protection would not be improved enough to warrant the lower insurance classification which would be required for reduced insurance premiums. The Bureau has also stated that "existing fire department facilities would need to be retained to maintain the present basic public fire protection classification." Consequently, no significant budgetary reductions can be expected for the Consolidated Department, since it is assumed that present fire insurance ratings of the two cities are to be maintained.

The Consolidated Fire Department would have the same equipment, station houses, and manpower as the two departments now have. The Fire Chief's office would be located in the existing Berkeley City Hall and fire station. One position of Fire Chief would be eliminated. However, to lower Berkeley firemen's work week from 73 hours to the present Ferguson work week of 70 hours would require the addition of one fireman.

The proposed budget for the Consolidated Department is \$321,261. This is \$10,659 more than the estimated budgets of the two separate departments for 1967-68. The increase is due to increased expenditures of \$11,634 for personal services and uniform allowances. However, offsetting savings of \$975 due to consolidation permit the net increase to be held to \$10,659.

Other matters which must be taken into consideration in judging the financial advantages of fire department consolidation are:

a. The proposed budget for the Consolidated Fire Department provides for bringing the salaries of all members of the force up to the level of the Berkeley Department. If Ferguson were to bring its Fire Department salaries up to this level, as it probably will be required to do in the near future, the cost would be about \$4,000 a year.

b. Ferguson's 70-hour work week is extended to the entire fire fighting force of the Consolidated Department. For Berkeley to reduce its work week from 73 to 70 hours would cost a minimum of \$7,000 a year.

c. Extension of the Ferguson hospital and life insurance program to the entire force of the Consolidated Fire Department represents a cost of about \$2,898 which Berkeley would have to pay if it provided such program for its fire fighters.

In considering the financial advantages of consolidating the two fire departments, consideration should also be given to the possibility that Berkeley and Ferguson may, at some time in the future, want to improve their departments sufficiently to warrant a lower fire insurance classification. This matter is presently complicated by pending legal action on a relatively recent annexation to the City of Ferguson. However, assuming that the annexation is consummated, it is estimated that the Consolidated Fire Department could provide the improved protection required for a lower insurance classification at a saving of at least \$82,000 a year, as compared to two separate departments.

The \$82,000 figure is based on the following estimates:

a. The improved fire protection would require 24 fire fighters on duty at all times if the departments were not consolidated (12 in each city), while only 20 fire fighters would be required for the Consolidated Department*.

* General guidelines on staffing and equipment requirements provided by the Missouri Inspection Bureau.

b. If not consolidated, Berkeley would be required to purchase additional aerial type equipment at an estimated cost of approximately \$60,000, or \$3,000 annually when amortized over a 20-year period*. In addition, it might be necessary to enlarge the present fire station to house the equipment and men to operate it.

c. Approximately 2.6 firemen must be employed to maintain one fireman on duty at all times under a 70-hour work week.

d. The minimum cost of employing a fireman is \$7,000 annually.

e. A fire prevention bureau for the Consolidated City could operate with at least one fireman less than the number needed to operate such a bureau in each of the two cities.

It should be noted that the figures presented here do not cover all costs necessary to achieve an improved insurance rating. For example, a new fire station would be required in northeast Ferguson.

The financial considerations involved in fire department consolidation are summarized in Table 15. Examination of the table indicates that probable cost increases to the two cities, if they do not consolidate, exceed the actual cost of consolidation by \$3,239. Furthermore, if Ferguson's recent annexation is upheld, consolidation offers the two communities potential future savings of \$82,000.

Public Works Department

The Public Works Department of Consolidated Berkeley-Ferguson would perform essentially the same functions as are now handled by the two separate departments. The Consolidated Department would be organized in the same general manner as the two departments are presently organized, that is, into

* General guidelines on staffing and equipment requirements provided by the Missouri Inspection Bureau.

Table 15

Summary of Financial Considerations
In Fire Department Consolidation

<u>Item</u>	<u>Amount</u>
1. Direct costs of consolidation	\$10,659
2. Probable cost increases without consolidation	
Increased salaries (Ferguson personnel)	4,000
Insurance program (Berkeley personnel)	2,898
Reduction of work week (Berkeley)	7,000
Total	\$13,898
3. Potential future savings through consolidation	
Lower cost of providing fire protection	
improvements required for lower insurance	
classification	\$82,000

divisions of engineering, streets, inspections and sanitation, and a central garage. Table 16 indicates the number of staff positions which the two departments presently have and the proposed staffing of a Consolidated Department, excluding the Division of Sanitation.

Table 16

Public Works Department Staff Positions
Unconsolidated and Consolidated

<u>Position Title</u>	<u>Unconsolidated</u>	<u>Consolidated</u>
Public Works Director	2	1
Assistant Director of Public Works	1	-
Building Commissioner	-	1
Civil Engineer	1	-
Building Inspector	1	-
Inspector	-	1
Draftsmen (full-time)	2	1
Draftsman (part-time)	1	-
Clerk Typist	1	1
Street Superintendent	2	1
Street Foreman	1	1
Equipment Operators	4	-
Maintenance Workers	3	13
Common Laborers	8	-
Mechanic (full-time)	1	1
Mechanic (part-time)	4	2
Total (full-time)	27	21
Total (part-time)	5	2
Grand Total	32	23

The table does not include personnel to perform the electrical and plumbing inspection functions of the Consolidated City. In Berkeley, these functions are presently handled under contracts with St. Louis County and a private plumbing firm. In Ferguson, inspections are made by part-time personnel paid on a per inspection basis. The method of handling these functions is left optional for the Consolidated City. However, funds for these purposes are provided for in the personnel services account of the budget.

The proposed staffing eliminates one position of Public Works Director, one position of Assistant Director of Public Works, one position of Civil Engineer, and one position of Building Inspector. However, one position of Building Commissioner and one position of Inspector would be added. The Building Commissioner might well be an engineer, the primary qualifications for the position being an extensive knowledge of structures, plan review, design, and building codes. The Inspector would make street and other types of inspections as well as building inspections, being assisted at times by the Building Commissioner.

The number of draftsmen is reduced from two full-time and one part-time positions to a single full-time position. Present full-time draftsmen also work as members of a field surveying crew. The proposed budget includes additional funds to provide for professional surveying services.

The number of street superintendents would be reduced from two to one. In part, this is possible because the street superintendent would no longer be responsible for supervision of maintenance of Berkeley parks. This would become the function of the Consolidated Park Department foreman.

Street maintenance workers in Ferguson are now classified as common laborers. In Berkeley, such personnel are called either equipment operators

or maintenance workers. The proposed budget provides that all of these personnel be classified as maintenance workers and that the number of such workers be reduced from 15 to 13.

Funds are also included in the proposed budget, under personal services, for part-time seasonal help and for overtime.

The Consolidated Public Works Department would be administered from offices in the present Ferguson City Hall, utilizing the City Council chamber for this purpose. The cost of necessary remodeling is estimated at \$2,500. The funds for the remodeling would be withdrawn from Ferguson's unappropriated surplus. Street maintenance operations would be centralized and operated primarily out of the present Ferguson garage and storage yard. Central garage operations would be consolidated in the present Ferguson garage, because it is by far the larger of the two garage buildings. However, Berkeley's garage would, at least initially, be retained as a sub-operating station and storage facility.

All equipment of the two departments would initially be retained by the Consolidated Public Works Department. With experience, it may be found that some duplicate equipment could be disposed of for salvage. It is probable that most such equipment would be retained, since salvage values tend to be low. However, it would be unnecessary to replace duplicate equipment when it wears out.

The proposed budget for the Consolidated Department of Public Works, excluding the Division of Sanitation, is \$449,469, as compared to \$479,052 for the present two departments in 1967-68. This is a reduction of \$29,583 due to consolidation.

Personal services reductions of \$20,793 are the result of proposed staffing changes previously discussed. Non-personal services savings result from reductions in the following items:

Central garage	\$3,185	Inspection charges	\$1,000
Sidewalk replacement ...	3,000*	Furniture and fixtures ...	450
Snow removal	1,500	Office supplies	200
Travel expenses	1,800	All other reductions	155
Total		\$11,290	

* Ferguson's present policy calls for all sidewalk replacement costs to be borne by the City. Berkeley follows the more generally accepted practice of sidewalk replacement being the responsibility of the property owner. It is assumed a consolidated community would follow the Berkeley policy.

There are offsetting increases of \$500 for street cleaning supplies, and \$2,000 for professional engineering services. This leaves a net reduction of \$8,790 due to consolidation, which, added to personal service savings, produces total savings of \$29,583 due to consolidation.

This total savings figure does not, however, present a complete picture of the financial aspects of consolidating the two departments. A number of other matters should be taken into consideration:

a. Street Paving. Both Berkeley and Ferguson share with property owners, generally upon their petition, the cost of paving local streets**. If the two cities were to combine their requests for bids on paving, it might be possible to obtain lower unit prices. However, because this type of paving is often done in relatively small jobs requiring frequent moving of equipment, costs might not be reduced.

b. Sealcoating of Streets. Ferguson's current budget provides \$14,000 for sealcoating, but next year the budget may make no provision for such work, because of the relatively small amount of coating that will be needed and the

** Ferguson, at the rate of all costs over \$6.50 per front foot; and Berkeley, in general, at 25% or 50% of the cost, depending upon the type of street.

consequently high unit costs. Instead, the work may be delayed a year, or until there is more of it to be done. If the two cities were consolidated, it is probable that sufficient sealcoating would be done each year to secure low unit prices and permit a better street maintenance program.

c. Equipment Use and Purchasing. Public works equipment purchasing provides still another example of how savings might be achieved through consolidation.

1. Ferguson's current budget provides \$14,300 for the purchase of a street sweeper. Berkeley does not have such a piece of equipment but, as the City continues to grow, it is reasonable to expect that it will acquire one. Ferguson's sweeper could easily take care of the two cities.
2. Ferguson recently purchased a pavement striping machine for approximately \$3,000. Berkeley's equipment for this purpose is inadequate, but the Ferguson machine could be used by both cities.
3. Berkeley recently purchased an asphalt spreading machine for approximately \$2,500. This piece of equipment could serve both communities.
4. Both cities now own a motor-grader. In addition to being expensive, such machines are costly to maintain and depreciation on them is significant. Eventually, both cities can be expected to replace their graders. One such piece of equipment would be more than adequate for both cities.
5. Both cities now have sign making machinery. One such machine could adequately serve both communities. In addition to the cost of purchasing such equipment, the space to house and operate it could be

cut by half, and the combined inventory of materials to provide signs could be reduced if the cities were consolidated.

6. Both communities now have heavy rollers, costing between \$2,000 and \$7,000 each, for compacting asphalt. Through consolidation, duplication of future replacement costs could be reduced, if not eliminated.
7. Each city now operates a central garage with substantial equipment, such as hand and power tools, hoists, and lubrication equipment. Undoubtedly, future replacement costs could be reduced through consolidation.
8. The two public works departments together have ten dump trucks, generally costing from \$3,500 to \$4,000 each; two 2-ton trucks; three pickup trucks; five tractors; and a number of other special purpose vehicles. While it is not suggested that any of this equipment should be sold for salvage if the departments were consolidated, it is highly doubtful that all of it would need to be replaced as it wears out.

d. Insurance Program. By consolidation, Berkeley personnel would receive the hospitalization and life insurance program now provided Ferguson personnel. The cost of the program to the City of Berkeley would be \$1,930 for its 14 Public Works Department employees.

e. Salary Increases. In general, lower level employees of the Ferguson Division of Streets receive substantially less pay than do similar Berkeley personnel. It is reasonable to expect that Ferguson will soon be required to raise the salaries of such employees. To bring them up to the level provided for the Consolidated City would cost Ferguson about \$3,300 annually.

Table 17 summarizes the financial considerations involved in consolidating the public works departments of the two cities.

Table 17

Summary of Financial Considerations
In Public Works Department Consolidation

<u>Item</u>	<u>Amount</u>
1. Direct savings of consolidation	\$29,583
2. Probable cost increases without consolidation	
Increased salaries (Ferguson personnel)	3,300
Insurance program (Berkeley personnel)	<u>1,930</u>
Total	\$5,230
3. Possible areas of other savings	
Street paving	*
Sealcoating of streets	*
Equipment replacement	*

* Because of variables and lack of long-range capital improvement planning and budgeting, amount cannot be realistically estimated.

Division of Sanitation--Refuse Collection

It is assumed that the municipal refuse collection service now provided in Ferguson would be extended to Berkeley if the two cities were consolidated. The reasons are:

- a. The municipal service provided in Ferguson is believed to be of a higher level than the service supplied by a private collector in Berkeley.
- b. It is generally accepted that a well run, municipally owned refuse collection operation can provide more economical service than can be supplied by private collectors.

The cost to Berkeley residents for the municipal service would be \$20 annually per dwelling, which is \$2 per year higher than the present rate in Berkeley.

To provide service in Berkeley, the present Ferguson Division of Sanitation would be significantly expanded. The Division would require a full-time, rather than the present part-time, director. A second foreman would be needed. By relieving the Division's clerk of certain duties not related to refuse collection, present clerical help would be adequate. As many as 12 more collection laborers and drivers might be required. Because Ferguson is considering the addition of another collection crew to its present force to meet an increasing demand for service and, because extending service to Berkeley would require extensive redesigning of collection routes, the exact number of additional men needed is not specified.

Because the number of additional men required is uncertain, and because refuse collection costs are so closely related to volume and thus to the number of dwellings served, the amount included in the proposed budget to extend municipal service to Berkeley was estimated by multiplying the present per dwelling cost in Ferguson by the estimated number of dwellings to be served in Berkeley ($\$19.84 \times 5,185 = \$102,870$). This amount, added to Ferguson's present cost (\$138,880), totals \$241,750, the estimate for refuse collection services for the Consolidated City. This is \$9,540 more than the estimated cost of such services in 1967-68 if the two cities remain separate.

The budget thus developed covers all operating expenditures and includes an amount for equipment replacement. It does not, however, include approximately \$46,000 for three new collection trucks and one new pickup truck required to provide service in Berkeley. With only about \$12,000 of this amount available from equipment replacement funds, \$32,000 would have to be provided from another source--probably from Berkeley's year end cash balance. This amount would be required only to commence operations in Berkeley. Continued service would be on a self-sustaining basis.

Extending municipal refuse collection service to Berkeley through consolidation would not, at first glance, appear to offer any financial advantages to citizens of either community. In fact, it would raise the price of collection service in Berkeley by \$2 annually per customer. Furthermore, the Consolidated City would not receive the \$5,000 annual franchise fee now received from the private firm providing service in Berkeley. However, there are other factors which should be taken into consideration in judging the financial advantages of this service being provided by the Consolidated City. These are:

a. Type of service. Berkeley now has collection at the curb, while Ferguson citizens receive rear yard service. Studies have indicated that collection labor costs for rear yard service are one-third greater per ton than they are for curb service. Judged in terms of cost, it is clear that Berkeley area residents would receive a higher level of service from the Consolidated City than they now receive from a private hauler.

b. Probability of increased cost of service. Berkeley residents currently pay \$18 per year for curb service refuse collection provided by a private hauler under an exclusive contract with the City. The contract is almost three years old and expires in March 1967. Although the cost of service under a new contract cannot be accurately predicted, the charge of \$24 a year for identical service in the nearby City of Florissant may offer some indication. Taking into consideration all factors, it is probable that a new contract will require residents of Berkeley to pay more than the current charge of \$18 per year.

Park Department

The Park Department of the Consolidated Berkeley-Ferguson would handle all functions now handled by the two separate departments. In addition, the

Consolidated Department would assume the tree maintenance service now performed in Berkeley by its Street Department. It is assumed that at least initially the summer recreation and swimming instruction programs of the two cities would be continued without change, except that they would be opened to all residents, and the Ferguson supervised recreation program would be extended to Berkeley. The new Park Department would administer all of the programs.

The proposed staffing for the administrative and maintenance function of the Department is shown in Table 18, and compared to the presently authorized staff positions for the two existing departments. Temporary personnel required to operate the recreation and swimming instruction programs are not included.

Table 18

Park Department Staff Positions
Unconsolidated and Consolidated

<u>Position Title</u>	<u>Uncon- solidated</u>	<u>Con- solidated</u>
Director of Parks	1	1
City Engineer (part-time)	1	-
Clerk Typist (part-time)	1	-
Clerk Typist	-	1
Street Superintendent (part-time)	1	-
Maintenance Superintendent	1	-
Maintenance Foreman	1	1
Laborers and Maintenance workers	6	6
Laborers (part-time)	4	6
Building attendants and Guards (part-time)	4	5
Total (full-time)	9	9
Total (part-time)	11	11
Grand Total	20	20

The staffing for the Consolidated Department is not significantly different from that of the two existing departments. However, the City Engineer

would not be required to direct park maintenance or the Street Superintendent to supervise this maintenance work as at present in Berkeley; the number of maintenance supervisors would be reduced from two to one; additional temporary help would be provided during the summer; and a full-time clerk typist would be assigned to the Department.

Consolidation would save about \$3,150 in regular personal service costs for administrative and maintenance functions. However, because of the extension of the Ferguson supervised recreation program to Berkeley, this savings is more than offset by an increase in costs.

The Consolidated Park Department would be administered from the present Ferguson Park Department's administrative offices. Since the two existing departments have only a small amount of maintenance equipment, all of this equipment would be retained. By eliminating the continuing need for duplicate equipment, consolidation may provide some future savings in equipment purchases. However, because such savings are uncertain and because they would be relatively small, no value has been attributed to them.

The proposed budget for the Consolidated Department is \$171,399. This is \$3,450 more than the estimated budgets of the two present departments for 1967-68. The increase results from extending the Ferguson recreation program to Berkeley, at an estimated cost of \$6,600. The estimate is based on present per capita costs of the program in Ferguson. However, because of the \$3,150 savings in personal services noted above, the net increase in the budget is only \$3,450.

The net budgetary increase does not present a full picture of the financial aspects of consolidation. Two additional matters which must be considered are:

a. Ferguson's park maintenance personnel are paid less than Berkeley's. It is reasonable to expect that Ferguson will soon be required to raise these salaries. To bring them approximately to the Berkeley and Consolidated City level would cost Ferguson about \$1,392.

b. The Ferguson hospitalization and life insurance program would be extended to all employees of the Cohsolidated Park Department. The cost of the program to the City of Berkeley would be about \$414 a year for its Park Department employees.

Table 19 summarizes the financial considerations of Park Department consolidation.

Table 19

Summary of Financial Considerations
In Park Department Consolidation

<u>Item</u>	<u>Amount</u>
1. Direct costs of consolidation	\$3,450
2. Probable cost increases without consolidation	
Increased salaries (Fergusuon personnel)	1,392
Insurance program (Berkeley personnel)	414
Total	\$1,806
3. Value of increased service	
Extension of Ferguson recreation program to Berkeley ..	\$6,600

There are still other aspects of Park Department consolidation that deserve special consideration, even though no price tag can be assigned to them. For example, Berkeley is far below minimum standards for park acreage compared to population. While consolidation with Ferguson would alleviate this situation somewhat, it would not, of course, locate any additional parks in the Berkeley area. However, with consolidation, Berkeley citizens would have the privilege of using the park facilities in Ferguson.

Another matter worthy of attention is that, in the near future, both cities can expect pressures for increased expenditures for park and recreation programs and facilities. Neither city's parks are so well maintained, equipped, and developed that they cannot be significantly improved. For example, Berkeley does not have a municipal swimming pool, and Ferguson's pool is inadequate for its growing population. Savings would probably be affected if necessary park and recreation improvements were made by the Consolidated City. Certainly better long-range park and recreation planning could be done; and a wider range of facilities and programs could be developed for a single city at less cost, than if both cities developed such facilities and programs independently. For example, a single community center building might be able to serve both cities.

The Consolidated Park Department would be financed through a special tax rate and park fund. However, for the purposes of this study, the special tax rate and the park fund are included in the overall operating tax rate and operating fund.

Health Department

Just as Berkeley and Ferguson now individually depend basically on the St. Louis County Health Department for health services, the Consolidated City would also rely primarily on the County Department to provide needed health services. However, Ferguson's present supplementary rabies control services would be extended to Berkeley. On the basis of Ferguson's present per capita costs for this supplementary service, it is estimated that it would cost approximately \$3,540 to extend the service.

The proposed budget for the Consolidated Health Department is \$9,726, as compared to the \$6,186 estimated budget for the Health Department of Ferguson in 1967-68. Berkeley does not have a budget for its Health Department.

Funds for weed and mosquito control which are budgeted for the Health Department in Ferguson are budgeted to the Division of Streets in Berkeley. If the two communities consolidate, accurate costs of these programs in Berkeley could be established and the funds transferred to the Consolidated Health Department.

The Consolidated Health Department could be financed by a special tax rate and health fund, as is presently the case in Ferguson, or it could be financed through the general fund and that fund's tax rate, as is now the case in Berkeley.

For the purposes of this study, financing of this Department has been included in an overall operating fund and tax rate without distinction between general and special operating funds and tax rates.

Other Functions and Operating Expenditures

In addition to the expenditures of the regular administrative departments, the Consolidated City would also have the following operating expenditures:

City Council. The estimated budget for the City Council is \$5,763, or one-half the total of the two council budgets. Possible savings through consolidation are thus estimated at \$5,763 annually.

Civil Defense. The proposed budget for civil defense is \$2,925, the same amount estimated for the two cities in 1967-68. Further reductions might be made in this budget. However, this would depend on reconciling the policies governing the operations of the two civil defense units. Because there are relatively small amounts involved, no specific changes were considered.

Municipal Buildings. The proposed budget for municipal buildings is \$22,646, as compared to \$28,866 for the two cities' estimated 1967-68 budgets.

The reduction is \$6,220. Savings result from elimination of contractual janitorial services for Berkeley City Hall, a reduction in utility costs, and a reduction in furniture and fixture costs. The eliminated janitorial service will be replaced by janitorial service now supplied to the Ferguson Police Department. This is possible because the police function for the Consolidated City would be quartered in Berkeley, and the janitorial service now supplied the Ferguson Police Department would not be required.

Boards and Commissions. The proposed budget for boards and commissions is \$3,830 for the Consolidated City. This is the same amount estimated for the two cities for 1967-68.

Non-Departmental Expenditures. The proposed budget for non-departmental expenditures for the Consolidated City is \$40,811, as compared to \$43,361 for such items for the two cities for 1967-68. The \$2,550 savings result from reductions achieved through consolidation of expenditures for telephones and annual reports.

Contingencies. The proposed budget includes \$40,000 for contingencies. This is \$15,157 less than the amount estimated for the two communities for 1967-68. The reduction is based on an examination of the past experience, and on the probability that two smaller communities operating separately will need a larger total contingency fund than will a single larger community.

Summary of Operating Expenditures

Table 20 summarizes the estimated operating expenditures of Berkeley and Ferguson, unconsolidated and consolidated, for 1967-68. It indicates cost increases and decreases due to consolidation, and presents estimates of other values, such as improved services, which would result from consolidation.

Table 20

Berkeley and Ferguson Estimated Operating Fund Expenditures
Unconsolidated and Consolidated--1967-68

<u>Unit or Function</u>	<u>Berkeley and Ferguson Expenditures</u> <u>Uncon-</u> <u>solidated*</u>	<u>Consolidated</u>	<u>Increase (+) or</u> <u>Decrease (-) Due</u> <u>To Consolidation</u>	<u>Other</u> <u>Benefits Of</u> <u>Consolidation</u>	<u>Net Savings</u> <u>And Benefits Of</u> <u>Consolidation</u>
Administrative Unit	\$106,271	\$ 76,547	-\$29,724	\$ 828	\$30,552
Law and Courts	20,069	16,906	- 3,163	---	3,163
Police	485,830	461,013	- 24,817	61,854	86,671
Fire	310,602	321,261	+ 10,659	13,898 ^a	3,239 ^a
Public Works	479,052	449,469	- 29,583	5,230	34,813 ^b
Refuse Collection	232,210 ^c	241,750	+ 9,540	---	-9,540
Parks	167,949	171,399	+ 3,450	8,406	4,956
Health	6,186	9,726	+ 3,540	3,540	---
City Council	11,526	5,763	- 5,763	---	5,763
Civil Defense	2,925	2,925	---	---	---
Municipal Buildings	28,866	22,646	- 6,220	---	6,220
Boards and Commissions ...	3,830	3,830	---	---	---
Non-Departmental	43,361	40,811	- 2,550	---	2,550
Contingencies	55,157	40,000	- 15,157	---	15,157
Total or Net	\$1,953,834	\$1,864,046	-\$89,788	\$93,756 ^a	\$183,544 ^a
Per Capita	\$41.57	\$39.66	-\$1.91	\$1.99	\$3.90

^a Does not include \$82,000 minimum potential annual savings in future fire protection improvements.

^b Does not include potential savings in maintenance materials and public improvement costs, or in reduced expenditures for capital equipment.

^c Includes estimated cost of \$93,330 paid by Berkeley citizens for private refuse collection service.

* For summary of expenditures by city, see pp. 26 and 54.

Examination of the table reveals that consolidation would, from the outset, produce savings of \$89,788 a year for the two cities. This is 4.6% of their 1967-68 estimated operating expenditures. The three major areas in which savings can be made are general administrative operations, \$29,724; police protection, \$24,817; and public works operations, \$29,583.

In addition to the savings which would accrue from the time of consolidation, residents of the two communities could anticipate improved services and other calculable benefits valued at \$93,756 annually. The Consolidated Police Department is the major source of these benefits--\$61,854. The Fire Department would provide an additional \$13,898 of such benefits.

All immediate savings and benefits produced by consolidation amount to \$183,544 annually. This is 9.4% of the 1967-68 estimated operating expenditures of the two cities.

In addition to immediate savings and benefits produced by consolidation, merger offers the two cities potential future savings of at least \$82,000 annually. These savings would be attained if, at some future time, the two cities improved their fire departments sufficiently to warrant a lower fire insurance classification. Assuming that such improvements would be made, the financial savings and benefits which should be considered in examining the question of consolidation total over a quarter of a million dollars annually.

Sources of Operating Revenue

Table 21 summarizes the estimated operating revenues of Consolidated Berkeley-Ferguson for 1967-68. It compares them with the estimated revenues for the two communities unconsolidated for the same period and indicates increases and decreases for the Consolidated City.

Table 21

Berkeley and Ferguson Estimated Operating Fund Revenues
Unconsolidated and Consolidated
1967-68*

<u>Sources of Revenue</u>	<u>Berkeley and Ferguson Total</u>		<u>Increase (+) or Decrease (-) For Consolidated City</u>
	<u>Unconsolidated**</u>	<u>Consolidated</u>	
Property Taxes			
Real and Tangible Personal ...	\$736,431	\$619,395	-\$117,036
Intangible Personal	6,958	7,762	+ 804
Gasoline Tax	190,000	190,000	---
County Road and Bridge			
Tax Refund	84,500	84,500	---
Motor Vehicle License Taxes	103,000	121,750	+ 18,750
Business License Taxes	92,000	92,000	---
Other Licenses	19,940	21,340	+ 1,400
Utility Gross Receipts Tax	362,000	362,000	---
Permits and Inspections	23,470	23,500	+ 30
Fines and Forfeits	41,500	42,000	+ 500
Interest Income	11,871	11,871	---
Refuse Collection Service			
Charge	233,330 ^a	243,700	+ 10,370
Other Service Charges and			
Concessions	33,650	33,650	---
Other Revenues	<u>16,033</u>	<u>11,033</u>	- <u>5,000</u>
Total or Net	\$1,954,683	\$1,864,501	-\$90,182

* Includes Park and Health funds, but not other special purpose funds such as Police and Firemen's Retirement funds, bond funds, and Revolving Public Improvement funds. All estimates are based on the assumption that current expenditures will be financed from current revenues.

** For summary of revenues by city, see pp. 27 and 55.

a Includes estimated payments of \$93,330 by Berkeley citizens for private refuse collection service.

Examination of Table 22 reveals a net decrease in operating revenues for the Consolidated City of \$90,182. Revenues from real and tangible personal property taxes are reduced by \$117,036 and "Other Revenues" by \$5,000. The tax revenue decrease is the result of a lower tax rate for the Consolidated City than either of the two cities unconsolidated can expect to have in 1967-68 if they finance all expenditures from current revenues. The \$5,000 decrease in "Other Revenues" results from the elimination of the franchise tax Berkeley receives from the firm providing refuse collection service in Berkeley. However, offsetting these decreases to some extent are the following major increases:

a. Motor Vehicle License Taxes are up an estimated \$18,750. This results from applying Ferguson's schedule of such taxes in Berkeley.

b. Refuse Collection Service Charges are expected to produce an additional \$10,370. The increase is the result of Berkeley residents paying \$2 per year more for municipal service than they currently do for private service.

c. Revenues from Other Licenses are up \$1,400. This is the result of increasing Berkeley dog license fees to the present level in Ferguson.

Each of the individual sources of revenue is discussed in the following paragraphs.

Property Taxes

Property taxes, including real, tangible and intangible personal, and State assessed utilities, would account for approximately 33.6% of Consolidated Berkeley-Ferguson's operating revenue, as compared to 38% for the two cities unconsolidated. The tax levy for operating purposes for the Consolidated City

would be 65.8¢ per \$100 of assessed valuation*. Table 22 shows the estimated operating fund tax rates of Berkeley and Ferguson unconsolidated and consolidated.

Table 22

<u>Berkeley and Ferguson Operating Fund Tax Rates</u>					
<u>Unconsolidated and Consolidated**</u>					
(Per \$100 assessed valuation)					
<u>City</u>	<u>Unconsolidated</u>		<u>Consolidated</u>	<u>Reduction</u>	
	<u>1966-67</u>	<u>1967-68</u>		<u>Through Consolidation</u>	<u>From 1967-68</u>
	<u>Rate</u>	<u>Rate</u>	<u>Rate--1967-68^a</u>	<u>From 1966-67</u>	<u>From 1967-68</u>
				<u>Rate</u>	<u>Rate</u>
Berkeley	78.8¢	87.7¢	65.8¢	-13.0¢	-21.9¢
Ferguson	70.0	70.6	65.8	- 4.2	- 4.8

** Park and Health funds are included, but not other special purpose funds for which taxes are levied: Police and Firemen's Retirement funds, bond funds, and the Ferguson Library Fund.

a If interest on cash balances is not assigned to the Consolidated City, this rate would be 1.3¢ higher. However, such interest could be used to lower debt service tax rates so there would be no effect on total tax rates.

Consolidation would permit Berkeley operating fund tax rates to be lowered by 13.0¢ from their present level and by 21.9¢ from their estimated 1967-68 level. For Ferguson, the reductions would be 4.2¢ from the present rate and 4.8¢ from the estimated 1967-68 rate.

Intangibles tax receipts are estimated at \$7,762 for the Consolidated City. This is \$804 more than the estimated receipts from this source for the two communities combined in 1967-68. The increase would result from following the Berkeley practice of assigning all such revenue to operating funds, instead of dividing it among all funds as Ferguson does.

* Computed on the basis of: a) actual assessed valuation for January 1, 1966; b) a collection ratio (the percentage of current taxes due which will be currently collected) of 100% for real estate and utility property and 93.6% for personal property; and c) no revenue attributed to delinquent taxes and interest and penalties thereon.

Gasoline Tax

It is estimated that Consolidated Berkeley-Ferguson would receive \$190,000 from the State-collected gasoline tax. This is the same amount which it is estimated the two cities will receive from this source in 1967-68, and is approximately equal to their revenues from this source in 1965-66.

County Road and Bridge Tax Refund

Consolidated Berkeley-Ferguson would receive from this source the same amount as the two cities. Receipts of \$84,500 are expected in 1966-67. It is estimated that the same amount will be received in 1967-68.

Motor Vehicle License Taxes

It is assumed that the Ferguson's motor vehicle license tax rate, which is higher than Berkeley's, would be applied to the Consolidated City. On this assumption, it is estimated that revenues from this source for the Consolidated City would be \$18,750 greater than the estimated 1967-68 revenues from this source for the two cities.

Business License Taxes

Both cities levy a merchants and manufacturers license tax on the basis of gross receipts. In addition, both levy flat license fees for certain types of businesses, occupations, and coin operated devices. Their flat fees are similar, but the rate structures of their gross receipts taxes vary. However, because of substantial similarity, it is assumed that the Consolidated City would adopt a new rate structure and schedule of fees which would yield approximately the same amount of revenue as the present business license taxes.

The receipts of the two cities from this source in 1965-66 were \$92,003, which was \$7,103 more than their official budget estimates for 1966-67. For 1967-68, estimated receipts of \$92,000 would be unaffected by consolidation.

Other Licenses

Although the alcoholic beverage licensing ordinances of Ferguson and Berkeley differ somewhat, both with respect to fees and classes of licenses, it appears that these differences could be reconciled without serious difficulty. Consequently, it is assumed that the Consolidated City would realize the same revenues from liquor licenses as would be received by the two cities.

The most frequently issued dog license is \$1 in Berkeley and \$2 in Ferguson. On the assumption that the \$2 rate would be adopted by the Consolidated City, revenues from this source would increase by \$1,400.

For other miscellaneous types of licenses, it is assumed that the same amount would be received by the Consolidated City as would be received by the two cities.

Utility Gross Receipts Tax

Since both Ferguson and Berkeley now levy a five per cent gross receipts license tax on utilities, the Consolidated City would receive the same amount from this source as the two cities. Receipts from this source in 1965-66 were \$362,114, which was \$6,114 more than the official budget estimates for 1966-67. For 1967-68, it is estimated the Consolidated City would receive \$362,000 from this source.

Permits and Inspections

The permit and inspection fees of Berkeley and Ferguson are generally similar. Both communities follow the St. Louis County fee schedule for electrical permits and inspections. Their building permit fees are substantially the same. Ferguson plumbing permit and inspection fees appear to be somewhat higher, but Berkeley excavation permits and inspection fees tend to be higher than Ferguson's. The estimate of \$23,500 to be received

by the Consolidated City from this source in 1967-68 is \$8,785 less than the two cities received in fiscal 1965-66, but is the same as their budget estimates for 1966-67.

Fines and Forfeits

It is estimated that a Consolidated Berkeley-Ferguson, operating under a revised schedule of fines, would collect approximately \$500 more from municipal court fines than the two communities unconsolidated would collect from this source in 1967-68.

Interest Income

It is estimated that the Consolidated City would receive the same amount of interest income as would be received by the two communities unconsolidated.

Refuse Collection Service Charges

Estimated revenues from refuse collection service charges have been increased by \$10,370 above the amount Ferguson now collects for its municipal system and the amount Berkeley residents presently pay private collectors. It is assumed that the Consolidated City would provide a municipal system of refuse collection for all residents.

Other Service Charges and Concessions

Assuming that the Consolidated City would continue the present Berkeley and Ferguson recreation programs for at least a year, it is estimated that revenues from concessions and admissions would remain at the same level as for the two cities unconsolidated.

Other Revenues

The two cities estimate they will receive \$16,033 from this source in 1966-67. It is estimated they would receive the same amount in 1967-68, but that the Consolidated City would receive \$5,000 less. The decrease is due to a loss of the \$5,000 franchise tax Berkeley receives from the firm providing refuse collection service in Berkeley. In 1965-66, the two cities received approximately \$30,000 from "Other Revenues."

Library Services

Library services to the Consolidated City would continue to be provided as they now are. The Berkeley area would be served by the County Library District, and the Ferguson area by the Ferguson Municipal Library District. Consolidation would not affect the present tax rates for library purposes of 12¢ in Berkeley and 10¢ in Ferguson.

Municipal Buildings and Location of Offices

The Consolidated City would own all of the structures now owned by the two cities. Main administrative offices would be located in the present Ferguson City Hall. The Berkeley City Hall would be used for Police and Fire Department headquarters, for City Council meetings, and for Municipal Court sessions. Public works operations would be handled out of Ferguson's central garage, but the Berkeley garage would be retained as a sub-operating station and storage facility. All existing fire stations would be retained and manned. Existing park buildings would be used for Park Department operations.

No new buildings would be required for the Consolidated City, but some relatively minor remodeling would be needed. Unused office space would be available in the quarters vacated by the Ferguson Police Department in that City's central garage. Since Ferguson's master plan calls for removal of this facility, no plans should be made for long-range use of the quarters. Eventually, the Consolidated City would require additional space. However, it would not need as much space as the two communities unconsolidated, particularly if both cities independently made significant improvements in their fire departments.

Police and Firemen's Retirement Fund

Both Berkeley and Ferguson now have retirement plans covering police officers and firemen. Examination of the relevant ordinances and recent actuarial reports indicates that, although there are some differences, the plans

are basically similar. For example, Social Security and Workmen's Compensation payments are integrated with the benefits provided by both plans. Both plans provide certain benefits for widows and minor children, and both have had periodic actuarial examinations. On the other hand, a significant difference is that Berkeley's plan requires a contribution from members, while Ferguson's does not. However, a Berkeley member's contribution will be reduced as the Social Security taxes rise, so that the significance of this difference will continue to decrease.

In general, the actuaries believe that the plans could be consolidated without great difficulty, but much legal and actuarial work would be required and some compromises might be necessary to reconcile differences. They point out that, in general, plans having a membership the size of Berkeley's and Ferguson's tend to be strengthened rather than weakened by combining them. For example, the actuaries believe that, by combining the two plans and establishing satisfactory regulations for the administration of a new plan, there is a distinct possibility of developing an improved investment program.

Both Berkeley and Ferguson currently levy a six-cent tax rate to carry out the funding of their respective plans. While the actuaries for the two plans emphasize that no guaranteed conclusions can be drawn on the matter of a tax rate for a combined plan until all the conditions of combining are determined, they conclude, on the basis of their most recent information and actuarial studies, that the tax rate for a combined plan would likely be from five to eight cents. They expect that any substantial rise in tax rate would be due primarily to salary increases which have been granted in recent years and which may be expected in the future, rather than to a merger of the two plans.

It is reasonable to conclude that neither the problems involved in combining the police and firemen's retirement plans, nor a determination of the tax rate needed for a combined plan, should be considered a deterrent to consolidating the two cities. For the purposes of this report, it is assumed that the tax rate for the Police and Firemen's Retirement Fund will remain at six cents for the Consolidated City.

Bonded Indebtedness

It is proposed that basically the bonded indebtedness of each of the two communities should remain the obligation of the citizens of the community which initially incurred the debt. However, State statute specifies that debt incurred for a facility to be used generally by a consolidated municipality, shall become the indebtedness of the consolidated municipality. Consequently, the remaining debt of \$120,000 on the Berkeley City Hall and Fire Department Building, as of June 30, 1967, would become the debt of Consolidated Berkeley-Ferguson, because the building would be used for the police and fire departments, City Council, and Municipal Court of the Consolidated City.

On the basis of current assessed valuations of the two communities, the Consolidated City's 1967-68 tax rate for servicing the remaining debt of the Berkeley City Hall and Fire Department Building would be 2.5¢ per \$100 assessed valuation. In addition, Ferguson property owners would pay a 2¢ rate to service Ferguson's existing debt of \$242,000, and Berkeley property owners would pay an 11.6¢ rate to service Berkeley's remaining debt of \$150,000 for sewers.

Table 23 shows the total tax rates which would be required for debt service in each of the two cities, consolidated and unconsolidated.

Table 23

Berkeley and Ferguson Debt Service Tax Rates
Unconsolidated and Consolidated
 (Per \$100 assessed valuation)

<u>City</u>	<u>Unconsolidated</u>		<u>Consolidated</u>
	<u>Fiscal</u> <u>1966-67</u>	<u>Fiscal</u> <u>1967-68</u>	<u>Fiscal</u> <u>1967-68</u>
Berkeley	14.2¢	17.2¢	14.1¢
Ferguson	3.0	2.0	4.5

Examination of the table reveals that due to consolidation, debt service tax rates in 1967-68 would be reduced 3.1¢ in Berkeley and increased 2.5¢ in Ferguson.

Assessed Valuation

The total and per capita assessed valuation of the Consolidated City and the two cities are set forth in Table 24.

Table 24

Berkeley and Ferguson
1966 Assessed Valuation of Taxable Property
Total and Per Capita*

<u>Class</u> <u>of Property</u>	<u>Berkeley</u>		<u>Ferguson**</u>		<u>Consolidated**</u>	
	<u>Actual</u>	<u>Per</u> <u>Capita</u>	<u>Actual</u>	<u>Per</u> <u>Capita</u>	<u>Actual</u>	<u>Per</u> <u>Capita</u>
Real Estate	\$34,618,590	\$1,731	\$42,147,500	\$1,561	\$76,766,090	\$1,633
Personal	6,101,220	305	8,606,880	319	14,708,100	313
Public Utility ..	<u>1,689,450</u>	<u>84</u>	<u>1,910,713</u>	<u>71</u>	<u>3,600,163</u>	<u>77</u>
Total	\$42,409,260	\$2,120	\$52,665,093	\$1,951	\$95,074,353	\$2,023

* Per Capita based on following estimated population: Berkeley, 20,000; Ferguson, 27,000; and Consolidated City, 47,000.

** Does not include the assessed value of some property on which annexation litigation is pending.

The above assessed valuations were used in computing all 1967-68 estimated tax rates. It was assumed that delinquent taxes on real estate and utility property would offset uncollected taxes of this type and that only 93.6% of personal property taxes would be received.

Cash Balances, Surpluses,
and Reserve Funds

The cash balances, surpluses, and reserve funds which Berkeley and Ferguson had available for appropriation on June 30, 1966, according to their audit reports, are shown in Table 25. Also shown are estimated amounts of such funds which will be available for appropriation on June 30, 1967, after taking into account the effects of the current budgets of the two cities and the requirements of consolidation.

There are a number of ways Consolidated Berkeley-Ferguson could utilize the estimated \$499,890 which would be available in cash balances, surpluses, and reserve funds on June 30, 1967:

1. The Consolidated City could earmark approximately \$311,000 for the purpose of financing operations during the early months of each fiscal year prior to the receipt of property taxes, and spend the remaining \$188,890 for general City purposes.
2. After earmarking a sufficient balance to finance operations during the early months of each year, the Consolidated City could set aside the remainder to finance debt service or provide capital improvements for that part of the consolidated community in which the funds were raised.
3. All of these funds could be assigned to debt service and local improvements in the areas in which the funds were raised.
4. A combination of the foregoing methods could be utilized.

The second method appears to be most advantageous. It would enable the Consolidated City to avoid the expense of borrowing money to finance its operations during the early months of each fiscal year, or of raising taxes in order to build up a cash balance for this purpose. At the same time, it would introduce an element of equity by providing that some of the cash balances, surpluses, and reserve funds would be used for the benefit of the areas where the funds were raised.

Table 25

Berkeley and Ferguson
Cash Balances, Surpluses, and Reserve Funds*

<u>Fund</u>	<u>Actual</u> <u>6-30-66</u>	<u>Changes</u> <u>Anticipated In</u> <u>Current Budget</u>	<u>Changes</u> <u>Due to</u> <u>Consolidation</u>	<u>Estimated</u> <u>6-30-67</u>
<u>Berkeley</u>				
Operating Funds	\$171,571	-\$70,315 ^a	-\$32,000 ^b	\$69,256
Improvement Fund ...	13,509	---	---	13,509
Revolving Public				
Improvement Fund ..	47,714	---	---	47,714
Total	\$232,794	-\$70,315	-\$32,000	\$130,479
<u>Ferguson</u>				
Operating Funds	\$344,189	-\$151,289 ^c	- \$2,500 ^d	\$190,400
Local Improvement				
Fund	47,337	+ 20,000	---	67,337
Revolving Public				
Improvement Fund ..	37,794	+ 73,880	---	111,674 ^e
Total	\$429,320	- \$57,409	- \$2,500	\$369,411 ^e

^a Current budget anticipates reduction in cash balance of \$70,315 in order to finance 1966-67 operations. The Manager of Berkeley indicates, however, that there is a good possibility not all of this amount will be required.

^b Required for refuse collection equipment.

^c Consists of \$57,409 required from surplus and reserve to balance current budget; a transfer of \$20,000 to the Local Improvement Fund; and a transfer of \$73,880 to the Revolving Public Improvement Fund.

^d Required for alterations to Ferguson City Hall.

^e Of this amount, \$26,750 to be reserved to service Ferguson's Revolving Public Improvement Fund debt to maturity.

* Does not include deposit funds, which are returnable to depositors, bond funds, or Police and Firemen's Pension funds.

Property Tax Rates

Table 26 summarizes the tax rates for Berkeley and Ferguson, unconsolidated and consolidated, and indicates changes in rates due to consolidation. Estimated rates are based on current costs, estimates of non-property tax rates set forth in this report, the assumption that existing levels of service would be maintained, and the assumption that all 1967-68 expenditures would be financed from 1967-68 revenues.

The estimated rates should not be considered absolutes. Changes in costs or revenue estimates or in any of the assumptions would affect property tax rates. For example, if either City adopted a policy of reducing the levels of its services, or if non-property tax revenues exceeded estimates, or if either community continued to use cash balances to finance part of its current operations, property tax rates would be lower than anticipated. Likewise, if costs increased, or if service levels were raised, or if non-property tax revenues did not meet estimates, property tax rates could be higher than indicated in the table. However, any such changes would be applicable to the Consolidated City as well as to the separate cities, and the tax rate advantages possible through consolidation would be basically the same.

Examination of Table 26 reveals a tax rate advantage through consolidation for property owners in both Berkeley and Ferguson. In Berkeley, merger of the two cities would permit an estimated reduction in ~~the total tax~~ rate of 13.1¢ from the present rate, and a reduction of 25.0¢ from the estimated 1967-68 rate if the City maintained current levels of service and financed all estimated 1967-68 expenditures from that year's revenues. Similarly, merger would permit an estimated reduction in Ferguson's tax rate of 2.7¢ from the current rate, and 2.3¢ from the estimated 1967-68 rate.

Table 26

Berkeley and Ferguson Municipal Tax Rates
Unconsolidated and Consolidated
 (Per \$100 assessed valuation)

City	Unconsolidated		Consolidated City Rate 1967-68	Changes Due To Consolidation	
	Current Rate 1966-67	Estimated Rate 1967-68		From 1966-67 Rate	From 1967-68 Rate
<u>Operating Funds</u>					
Berkeley	78.8¢	87.7¢	65.8¢	-13.0¢	-21.9¢
Ferguson	70.0	70.6	65.8	- 4.2	- 4.8
<u>Debt Service</u>					
Berkeley	14.2	17.2	14.1	- 0.1	- 3.1
Ferguson	3.0	2.0	4.5	+ 1.5	+ 2.5
<u>Retirement Fund</u>					
Berkeley	6.0	6.0	6.0	--	--
Ferguson	6.0	6.0	6.0	--	--
<u>Totals</u>					
Berkeley	99.0¢	110.9¢	85.9¢	-13.1¢	-25.0¢
Ferguson	79.0¢	78.6¢	76.3¢	- 2.7¢	- 2.3¢

Financial Position

Consolidated Berkeley-Ferguson would be in a good financial position:

- a. It would start operations with a balanced budget, and could have sufficient cash balances to support its operations without borrowing until new tax revenue is received.
- b. It would be virtually debt free, having only \$120,000 of bonds outstanding.
- c. Its operating fund tax rate would be less than 75% of the rate permitted by law.
- d. Its assessed valuation of over \$94 million would be one of the largest for a municipality in St. Louis County, and would permit it to handle an improvement project costing several million dollars without committing even half of its bonding ability.
- e. Its budget and financial resources would be large enough to permit better long-range financial planning than is possible for either Berkeley or Ferguson.
- f. Because of increased size, its bonds might attract more bidders.

PART 5

COOPERATIVE ARRANGEMENTS OR JOINT OPERATIONS
IN LIEU OF CONSOLIDATION

If structural consolidation is judged unacceptable by the two communities, some of their operations could be handled through cooperative arrangements with advantages for both. Such arrangements would not produce all the advantages of consolidation, but virtually any move toward cooperation and centralization would enable the separate cities to cope with their problems more efficiently and economically.

The form of cooperative or joint arrangements which could be developed would probably vary with the functions involved. Possibilities range from verbal, one-occasion agreements to formal long-term contracts and creation of consolidated departments.

A number of ways of sharing costs for such arrangements also exist. For example, cooperating communities have negotiated agreements based on such factors as per capita expenditures, assessed valuations, actual costs incurred in each community, and service charges.

General Administration

As long as the two communities maintain separate governmental structures, each having a City Manager in charge of administration and each operating its own City Hall, the possibilities for significant cooperative action are limited in areas of general administration such as records keeping, financial management, and serving citizens at City Hall. However, it is likely that cooperative purchasing by the two cities would produce some savings. Only informal arrangements would be necessary to permit considerable cooperation in purchasing.

Police Protection

The financial advantages to be gained through cooperation in police matters would depend upon the degree of centralization of police operations. For example, centralization of police radio dispatching would produce worthwhile savings. This could be accomplished without merging the two departments. Joint laboratory facilities, a single pistol range, and common training programs could also be handled jointly without consolidation. On the other hand, without a consolidated department, it would not seem practical to have a single chief and a single detective unit to handle the affairs of the two separate departments.

Fire Protection

Berkeley and Ferguson already have a mutual aid fire protection agreement. Short of joint operation of the two departments, there appear to be no other significant advantages to be gained through further cooperative agreements, except in the training of personnel. Neither department now has adequate training facilities, and to provide such facilities jointly would certainly be more economical than for each department to provide its own. However, it is probable other fire protection jurisdictions should join in a cooperative effort to handle the training problem more efficiently.

Joint operation of the two departments should provide the same overall advantages in fire protection as would be available to the cities through consolidation. Some legal problems might develop in establishing a joint fire department, but these should not be insurmountable, since State statutes make specific provisions for such departmental consolidations.

Public Works

The advantages of cooperative arrangements or joint operations for public works are not as apparent and readily achieved as are the advantages of such arrangements in the fields of police and fire protection. However,

it is reasonable to believe there would be some advantages. For example:

a. Specialized equipment could certainly be shared. This might be accomplished either through rental from the city owning the equipment or by contracting with that city for the work for which the equipment is used.

b. If the two cities were to establish common codes and standards for building inspections, personnel making inspections could work in both communities.

c. Ferguson's present refuse collection operation could be expanded to include Berkeley.

d. A central equipment repair facility for the two communities is feasible, and it would be more economical than continuing to maintain two separate facilities.

Undoubtedly, other comprehensive cooperative or joint arrangements could be developed. In fact, a single street maintenance unit, even a joint public works department is feasible. The degree of cooperation possible would depend largely on the abilities of the two cities to work out practical solutions for the problems involved.

Parks and Recreation

Parks operation and recreation programs have several possibilities for cooperative arrangements between the two cities. For example, the administration and maintenance of Berkeley's relatively small park system could be integrated with that of Ferguson, and Berkeley would benefit by having its parks under the supervision of Ferguson's trained park administrator. Ferguson's supervised recreation program could be extended to Berkeley at a cost less than Berkeley could develop and staff a similar program. Possibly the two cities could jointly finance and construct a community center or skating rink to serve the citizens of both communities.

Other Functions

Other areas which would seem to offer advantages through cooperation also exist. For example:

- a. A common civil defense unit for the two cities would be logical, since the type of disaster such a unit is established to cope with would generally not be confined to the boundaries of just one of the cities.
- b. Joint financing and use of future public buildings by the two communities is certainly feasible. This is done in other areas of the country and, on the local level, the police departments of St. Louis County and the City of Clayton share a single building.
- c. Cooperation in planning their future development, growth, and renewal would certainly be in the best interests of both cities.